

SUSTAINABILITY REPORT 2022

The e-commerce industry faces many challenges on the road to implementing more sustainable practices. By using Boozt's position and size there is a unique opportunity to push for a more sustainable industry. Boozt's responsibility vision is to use its local Nordic position and technology platforms to make sustainable choices easy for its customers and partners.



Care-For strategy and material topics

The company's Care-For strategy is the roadmap for how to become the leading responsible e-commerce company in the Nordics. As part of this, Boozt has updated its Care-For strategy and goals to ensure they align with the strategic direction of the business and take into account external trends and overall development in society.

To cement our efforts across the relevant areas in alignment with our commitment to the ongoing B Corp certification the goals and targets have been expanded and updated. Boozt's efforts are focused on four dimensions Environment, Employees, Community and Governance. Within each dimension Boozt, based on a materiality assessment, have set goal areas and relevant targets that support the work which are described below. Read more about the sustainability strategy and goals on pages 24-29.



● Environment goals ● Employee goals ● Community goals ● Governance goals

Boozt has set 15 new targets for its updated Care-For strategy. The targets are reviewed annually to ensure they remain aligned with the strategic direction of the business and take into account external trends and overall development in society.

GOAL AREA	TARGET
Reducing Greenhouse Gas Emissions	By 2024 set science-based targets and submit them to the Science-based targets initiative
	By 2026 Disclose 100% of relevant Scope 3 emissions categories
Minimising Waste	By 2026 Increase the share of recycled waste to 80%
Driving Responsible Production	By 2024 Develop a scorecard to assess ESG Performance in purchasing decisions for at least 60% of our partner brands
Promoting Equality	By 2024, identify opportunities to further support the governmental parental leave policy for all Boozt Fashion AB employees to continue to promote equality
Engaging & Healthy Work Environment	By 2024 Reach above 77% of the aggregated participation rate in our internal employee survey
	By 2024 Increase eNPS score to reach the TOP 10 placement in the consumer industry
Shaping Employee Development	By 2023 Implement a regular career development review process that includes all Boozt Fashion AB employees
Empowering Customers	By 2024 Extend ReBoozt's presence across our markets
Engaging Suppliers	By 2026 Provide semi-annual events for our brand partners
	By 2023 ensure 100% of our apparel brand partners are committed to supply chain transparency and to working with the Higg BRM tool
Involving Communities	By 2024 Increase collaboration with relevant universities and research institutions to share and learn best practices
Accelerating Transparency	By 2024 Increase engagement with third-party ESG rankings and ratings
Mitigating Risks	By 2026 Request at least 80% of our brand partners to identify, map and share with us their Tier 1 and 2 suppliers
Integrating Sustainability	By 2026 Increase participation to internal training on Sustainability

Materiality assessment

Based on the company’s yearly materiality analysis, this report focuses on the most important sustainability issues for the Groups business. As a result of the materiality assessment during 2022, Boozt has updated its strategy and translated the material topics into its implemented goal areas.

Boozt materiality assessment follows a three-steps approach:

1) Understand the organization's context and review material topics: A review of the current process of the materiality assessment and the environment in which Boozt operates is done on an ongoing basis. A prerequisite to identifying impacts is to understand the business context, activities, and business relationships and identify its most important stakeholders. A list of Boozt stakeholders and how the company interact with them can be found in the chapter ‘About the report’, on page 80.

For the first time, a survey with two stakeholder groups, employees and investors, has been conducted and their input has been considered for the review of material topics for the company. The goal is to continue widening stakeholder engagement by involving brand partners to assess Boozt material topics via the yearly Boozt Supplier Survey.

2) Identify: In step two, potential and actual impacts on the economy, environment, and society, including impacts on human rights were identified. Based on a variety of different sources such as current global and ESG trends, external standards such as SASB, MSCI, GRI, current and upcoming legislation, especially the ESRS, challenges in the sector and the sector relevance, and stakeholder dialogue, a list of 15 impacts have been identified. Both negative and positive impacts that Boozt contributes to or is directly connected to through its business relationships were identified.

3) Assess and prioritise: To prioritise and choose the material topics Boozt take into account and analyse the stakeholder relevance and the significance of the economic, social, and environmental impact from a double materiality approach, meaning both how sustainability issues affect its business, and

how business and operations impact society and the environment in general. The focus in this report lies on impact materiality but considering the upcoming ESRS, the process of incorporating the financial impact perspective in the assessment has been initiated.

The sustainability department assesses the impacts and their importance from a financial and impact perspective using survey results, where investors and employees rate the impacts and their importance. Boozt received answers from investors that represent 51% of the share capital and almost 200 of the employees. Medium importance was defined as a threshold and used to determine which impacts are considered in defining the material topics. The assessment was used to cluster and group several impacts into defined and prioritised material topics as shown in the table.

The list of material topics has changed from 2021 and 2022 due to the deeper involvement of stakeholders and an update of our Care-For strategy leading to a stronger focus on 12 material topics, with 3 topics each in the four dimensions: Environment, Employees, Community, Governance. The material topics were approved by Group Management and Board of Directors.

Dimension	Prioritised material topic	Impacts assessed and considered in the material topic
Environment	Reducing Greenhouse Gas Emissions	Greenhouse Gas Emissions, Energy Consumption, Distribution & Returns
Environment	Minimising Waste	Packaging & Waste Management, Water Use & Wastewater Management, Distribution & Returns, Conservation of Biodiversity
Environment	Driving Responsible Production	Responsible Production, Responsible Selection & Consumption
Employees	Promoting Equality	Human rights, Employee Diversity, Equality & Inclusion
Employees	Engaging & Healthy Work Environment	Human rights, Employee Health, Safety & Wellbeing
Employees	Shaping Employee Development	Employee Health, Safety & Wellbeing
Community	Empowering Customers	Responsible Selection & Consumption
Community	Engaging Suppliers	Human rights, Supply Chain Management
Community	Involving Communities	Human rights, Community Engagement
Governance	Accelerating Transparency	Transparency
Governance	Mitigating Risks	Human rights, Customer Privacy & Data Security, Greenhouse Gas Emissions
Governance	Integrating Sustainability	Sustainability Governance

Environment

Reducing Greenhouse Gas Emissions

As a fast-growing company, Boozt not only leave a carbon footprint through its own operations and business relationships but as an international retailer linked to global supply chains, Boozt can also be financially affected by climate change. Therefore, it is a priority and responsibility for Boozt to measure its Greenhouse Gas Emissions (GHG), set reduction targets and take action. In terms of GHG accounting, Boozt reports GHG emissions in accordance with the Greenhouse Gas Protocol, which is the global standardized framework to measure the climate impact of companies and organisations. The GHG emissions are reported separately for scopes 1, 2 and 3. The focus in 2022 has been to ensure the expansion of the scope of measurement. By doing so, Boozt is able to establish a baseline and base year that will help to identify areas in which to pursue higher data accuracy in its GHG inventory, identify hot spot areas and focus our reduction efforts. The scope 3 GHG accounting was extended by identifying 9 out of 15 relevant and applicable categories for Boozt's business. A base year is needed in order to set emission reduction targets. More information about the GHG emissions methodology and data used is available under 'Notes to the ESG Data Summary' on pages 75-78.

Boozt has reviewed its climate-neutral target based on its commitment to the Science Based Targets initiative (SBTi) in 2022. In 2022, Boozt committed to setting near-term company-wide emission reductions in line with climate science and the Science Based Targets initiative. Since setting the climate-neutral target in 2019, the carbon offsetting market and carbon-neutral claims have been highly questioned. Boozt believes only absolute reduction of our GHG emissions is the way forward and that financial investments should be made into decarbonising strategies rather than offsetting projects.

Based on calculating Boozt's total GHG emissions from the whole value chain, an analysis of different climate and business scenarios and the developed science-based targets will be submitted to the Science Based Targets initiative for approval in 2024, as presented in our related Care-For targets. In terms of actions taken to manage the topic, Boozt is working on several initiatives to mitigate the negative impact.

791

tonnes CO₂e saved due to Fair Use Policy
Read more on page 59

462,000

kWh of produced solar energy resulting in more than SEK 1.19 million annual monetary savings
Read more on page 69

SCOPE 1 GHG EMISSIONS

Scope 1 GHG emissions are direct emissions of greenhouse gases from sources owned by Boozt that are not connected to energy delivery. This includes company vehicles. For scope 1 the calculation of the GHG emissions in 2021 refers to the parent company while in 2022 the measurement was expanded to cover the scope 1 GHG emissions of the total Group and its subsidiaries. Therefore the GHG emissions in 2022 have increased and amount to 150.5 tonnes CO₂e emissions (2021: 106.4).

SCOPE 2 GHG EMISSIONS AND RENEWABLE ENERGY OPERATIONS

Scope 2 GHG emissions are related to the purchase of energy. To calculate scope 2 GHG emissions, energy consumption data first needs to be collected after which emission factors to the corresponding energy source are applied. GHG Emissions continue to be zero for the two locations where Boozt's main operations are conducted, the fulfilment centre and headquarter, as the group source only renewable energy from hydropower as well as the generated electricity from solar panels at the fulfilment centre. As the business continues to grow the data collection is broadened

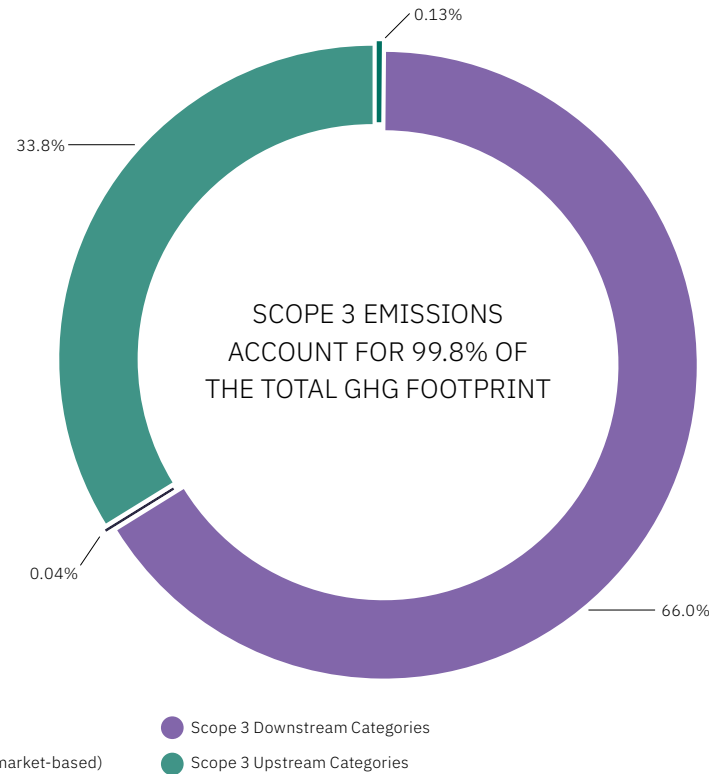


to account for the full impact of all operations. Scope 2 (market-based) GHG emissions amount to 42 tonnes CO₂e. In 2022, 95.6% of the total energy consumed in scope 2 came from renewable sources, with hydropower as a primary source and solar energy as a secondary source. Looking at the share of electricity, Boozt sourced 98.2% renewable electricity in 2022 (2021: 96.3%). A breakdown of the energy consumption per energy activity and energy source can be found in the 'ESG Data Summary' on page 72.

Boozt's headquarter is located in a building certified by WELL. The International WELL Building Institute (IWBI) is a globally recognised building standard focused on human health and wellness in workplaces. The building is also environmentally certified with Miljöbyggnad Gold level, a Swedish environmental certification for sustainable buildings by the Sweden Green Building Council. This certification guarantees a reduction of energy consumption by 25% compared to conventional buildings. The fulfilment centre is located in a green building-certified facility and is driven by energy-efficient and modern technology. The fulfilment centre runs on 100% renewable energy, consisting of purchased energy from hydropower and own generated solar energy. Read more about seizing the opportunity to produce renewable energy on page 69.

SCOPE 3 GHG EMISSIONS

As for most companies, the majority of Boozt's GHG emissions come from indirect emissions along the value chain which are called scope 3 GHG emissions. Despite the significant impact, scope 3 is currently the hardest to accurately and fully measure due to limitations in the data collection. A first and important step is the assessment of relevance to determine which of the 15 categories are relevant to the organisation. This year, the boundary of our scope 3 GHG Accounting was extended by identifying and measuring nine relevant scope 3 categories (2021: 4/9 relevant scope 3 categories were calculated). This eases the assessment of the full impact across the value chain. The graph of the breakdown of Boozt's CO₂e emissions in 2022 shows that the company's indirect scope 3 emissions make up 99.8% of the total CO₂e footprint. More explanation on the scope 3 categories and their calculation can be found under 'ESG Data Summary' and its notes on pages 71-78.



- Scope 1
- Scope 3 Downstream Categories
- Scope 2 (market-based)
- Scope 3 Upstream Categories

Transportation and Distribution

The category of upstream transportation and distribution is characterised by close collaboration with external distributors. New distributors are ongoingly added to the ESG data platform. The increase in absolute GHG emissions from upstream transportation and distribution can be explained by a higher number of orders shipped during 2022 as well as an extended tracking of transport emissions in more shipping countries. To put the absolute emissions into perspective with business growth, Boozt calculate the CO₂e intensity per parcel. The CO₂e intensity per parcel for 2022 is 0.49 kg per parcel (2021: 0.34 kg) and has been updated to include all shipping countries, covering 99.5% of the total order volume. In 2021 the CO₂e intensity per parcel only covered 90.7% of the volume handled. Even though the absolute emissions from delivery and returns have grown, Boozt's local return handling and optimised delivery patterns and fossil-free delivery options have allowed for a maintained a low 0.29 kg CO₂e per parcel in the Nordic delivery countries.

BREAKDOWN OF CO₂e EMISSIONS IN 2022

Scope	Category	tonnes CO ₂ e emissions
Scope 1	Company Cars	150.5
Scope 2 (market-based)	Purchased energy	42.0
Scope 3 Upstream Categories	Business Travel	136.7
Scope 3 Upstream Categories	Purchased Goods and Services	6,543.4
Scope 3 Upstream Categories	Waste Generated in Operations	55.8
Scope 3 Upstream Categories	Fuel- and Energy-Related Activities	66.6
Scope 3 Upstream Categories	Upstream Transportation and Distribution	4,896.2
Scope 3 Upstream Categories	Employee Commuting	479.1
Scope 3 Upstream Categories	Capital Goods	27,234.5
Scope 3 Downstream Categories	End-of-Life Treatment of Sold Products	8,331.9
Scope 3 Downstream Categories	Use of Sold Products	68,694.1
Total CO ₂ e emissions		116,630.8

Fair Use Policy

As part of the efforts to lead the change towards a more responsible industry, Boozt has taken a stand against unnecessary returns and by that avoiding unnecessary GHG emissions. In 2019, Boozt introduced the Fair Use Policy to its Terms & Conditions as a way to eliminate unnecessary returns and establish more sustainable business practices. Returns are an integral part of shopping online and Boozt wants to make it as easy as possible for our customers to return. However, Fair Use supports Boozt in having a transparent and honest dialogue with, and possibly pause, customers that repeatedly exploit the high service levels of free shipping and returns at the expense of our business, other customers and the environment.

Around 39,000 customers, or 1.58% of the active customer base, have been paused through the Fair Use Policy. This is a small part of the more than 2.5 million active customers on Boozt, yet these customers represent around 25% of the total return volume. By pausing these accounts and reducing unnecessary returns, Boozt saved approximately 791 tonnes CO₂e in 2022 which has eliminated the need for approximately 538 delivery trucks during one year.

Minimising Waste

Boozt is persistent in its effort to reduce waste across our operations. The waste from its operations is mainly related to packaging materials that are received from customer returns. Boozt is collaborating with a third-party company that collects the waste generated from Boozt's operations to ensure waste is properly handled according to local regulations. In Boozt's own operations, no waste from raw materials, process and manufacturing materials, or by-products is generated. More information and metrics about quantities of waste outputs by waste type and treatment method are available under the 'ESG Data Summary' on pages 71-74. In terms of actions taken to minimise waste, Boozt is working on several initiatives to mitigate the negative impact.

6.9

million sheets of paper saved due to digital returns

35%

reduction of plastic filling by replacing it with paper filling

For some time customers have had the option to choose between using the printed version of the return form that comes with the package or returning their items using a digital version. In response to this, Boozt removed the physical return form and in extension simplify the process at the Pick & Pack stations and as a result, we will save the need for approximately 6.9 million sheets of paper in 2023.

In 2022, Boozt worked to reduce the amount of plastic filling in its shipments by introducing recycled corrugated paper in its distributed orders which has resulted in a reduction of plastic filling by 35% compared to last year. Boozt is also testing repurposing inbound cardboard to extend its use, and thereby taking a step towards a more circular packaging process.

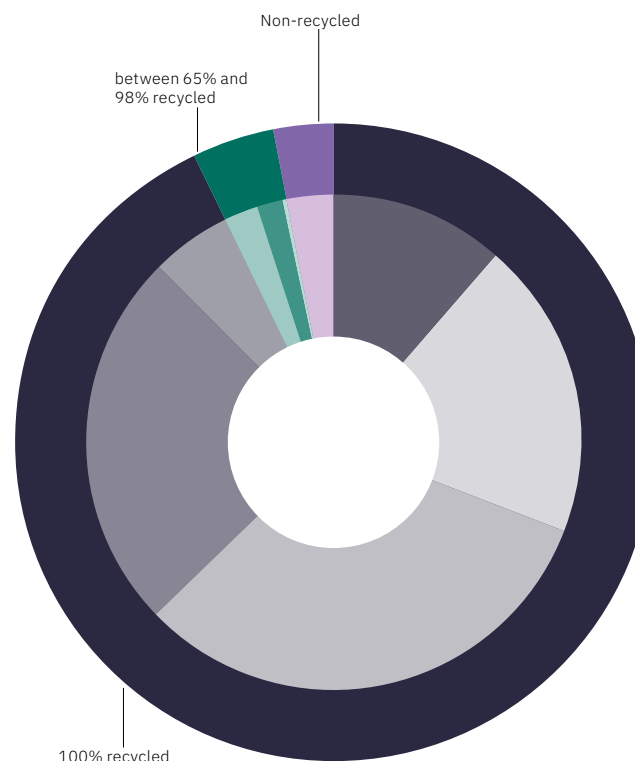
WASTE TREATMENT

Waste treatment methods and waste processes play an enormously important role in seeing waste as a resource and increasing the share of recycled waste. A local waste management

company handles the waste from the Boozt fulfilment centre with the majority of the waste being recycled (60.8% in 2022) and Boozt is committed to increase the share of recycled waste to 80% by 2026 as presented in our related Care-For target. The main waste type from the fulfilment centre consists of cardboard and paper waste and is recycled by a third-party. The remaining waste is handled by certified centres and is treated as burnable waste and residual waste to generate heat and electricity for buildings. Organic waste such as food waste is used to generate biogas. The third-party waste management company reports the different waste volumes on a quarterly basis so Boozt is able to track the data in the ESG Data platform and evaluate the process on a regular basis. Regarding waste generated at the customer's end, Boozt follows the EU legislation of Extended Producer Responsibility (EPR) across the markets the company operates in to ensure proper waste management. To minimise the negative impact of packaging waste at the consumer end, Boozt optimised packing elements used such as fillings and tapes in order to reduce the amount of materials used and minimise waste creation.

PACKAGING SOURCING

A major challenge for every e-commerce company is reducing the impact of packaging material. The impact of packaging is a core area of focus for Boozt, as the company look for more circular options to ship orders. It is important that customers receive their orders in the right-sized, recyclable packaging materials that minimise waste and ensure damage-free and intact delivery. The Boozt shipping bags are made from 100% recycled plastic, Blue Angel certified, and the shipping boxes are made from 100% certified paper to ensure full traceability and recyclability. Boozt is also in dialogue with its packaging partners to explore possible ways to reduce the use of polybags and the need to utilise new raw materials. In 2022 Boozt initiated measurement of the procured and used amount of all packaging material to give a clearer picture of the material inputs and to identify reduction potential in the packaging materials. As a result, Boozt tracked and calculated all components of packaging that are necessary to deliver the products. As shown in the graph, there are nine types of packaging components. Out of the 2,177.9 tonnes of packaging material, we used in 2022, 96.5% (2,102.7 tonnes) come from recycled material input.



Packaging element	Weight in tons
Shipping Bag	248
Returnbags	428
Cardboard Container	691
Cardboard Box	540
Filling	120
Cardboard Beautybox	46
Filling	36
Other	8
Tape & Label	61



Driving Responsible Production

As a company offering fashion and lifestyle online, Boozt is linked to global supply chains via its business relationships and can be financially affected by supply chain risk and a lack of responsible practices. Due to the growth of the business and the acquisition of the Nordic Brand Hub, Boozt's influence on this topic has changed. Therefore, the focus is even more on the supply chain risks of subsidiaries to assess both environmental and social aspects. Boozt is committed to using its position in the industry and its learnings from multi-stakeholder collaborations to facilitate responsible practices. Boozt is developing a scorecard to assess the ESG performance of at least 60% of the company's partner brands by 2024 as presented in our Care-For target. In 2022, a supply chain assessment of the Nordic Brand Hub was conducted and ensured our Supplier Code of Conduct and affiliated policies and procedures are aligned. Progress on actions implemented is tracked and monitored via our internal ESG Data platform.

SUSTAINABILITY CRITERIA

Using Boozt's position and size, Boozt has the unique opportunity to push for a more sustainable industry. This is the foundation for our Made With Care category which only includes products that meet the sustainability criteria and represents the efforts to drive responsible production on both environmental and social aspects. The category also encourages the brand partners towards more responsible practices.

In an effort to drive responsible production, in 2022, a redesign of the Boozt Sustainability Criteria to represent a systemic change in production patterns and educate the customer about the socio-environmental impact of production and consumption was made. The Boozt Sustainability Criteria refer to a methodology set internally to define whether a product is fit for our Made With Care category or not. The methodology differs based on the product category. To ensure a reliable, transparent and traceable assortment, Boozt relies intensely on globally recognised certifications, both environmental and social, as well as extensive data collection. To uphold the highest industry standards, a review, update and strengthening of Boozt's Sustainability Criteria are made on a yearly basis, based on stakeholder feedback, new regulations and other macro-level changes. Boozt tracks the performance of the category and data quality on a quarterly basis.

In 2021, the first version of Boozt's Sustainability Criteria for Textiles and Beauty, our two leading categories was published. In 2022, an update of the Boozt Sustainability Criteria for Textiles and Beauty was made to incorporate changes from the past year, and to align the structure of all criteria. This was done to facilitate internal communication, as well as to create a more consistent approach to our Made With Care category. In 2022, Boozt also introduced new Boozt Sustainability Criteria for the categories of Footwear and Home & Accessories.



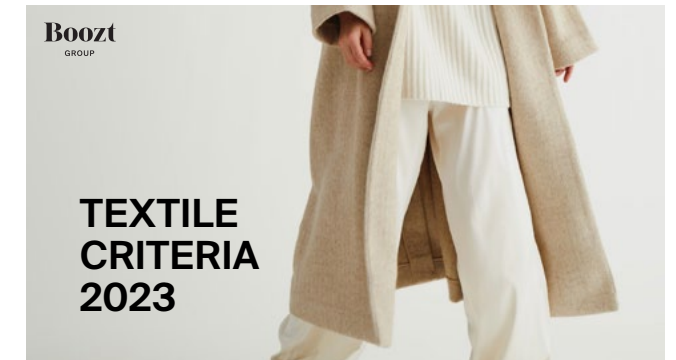
[LINK TO BEAUTY CRITERIA](#)



[LINK TO FOOTWEAR CRITERIA](#)



[LINK TO HOME & ACCESSORIES](#)



[LINK TO TEXTILE CRITERIA](#)

Employees

Promoting Equality

As a leading company in the Nordics that employs more than 1,200 people across our operations, equality is core to the way we treat our employees. Boozt is continuously working towards reducing the potential risk of inequalities across the Group and is actively supporting each employee's equal rights and opportunities within the organisation through initiatives and policies reflecting our company culture and values.

The company's Care-Why culture is about encouraging a curious and innovative mindset, with a focus on making decisions that respect the company, customers and colleagues. This is supported by the company values of Trust, Freedom and Responsibility. Equal opportunities apply across the organisation and everyone who works at Boozt shall feel welcome and safe. Improvement potential and equality opportunities are tracked by measuring different diversity indicators based on factors such as gender and age. More information and metrics about Boozt employees are available under the 'ESG Data Summary' on pages 71-74.

EMPLOYEE DIVERSITY

Boozt believes that the core strength of the company is the diversity of our employees. With more than 60 nationalities, we acknowledge our differences but still share the same goals. Boozt is committed to and actively supports each employee's equal rights and is against any kind of discrimination, harassment or differential treatment as stipulated in the employee Code of Conduct. To ensure compliance with these commitments, the employee engagement survey was updated in 2022 to include questions about discrimination & harassment and the Dignity at Work procedure was reviewed and updated.

Employment and development opportunities must always be based on competence and experience, and be in accordance with the Group's commitments to equality, diversity and inclusion. Attracting the right talent with a fair and equal recruitment

process is key to business success. During 2022 the HR policy was reviewed and updated in regard to recruitment processes and promoting internal hiring practices. This ensures that Boozt is working with inclusive employment practices across the organisation and are promoting equal distribution of gender in management positions. In 2022, the share of women in mid-management increased from 37% to 45%. Managers were also offered training in 2022 on our tool for behavioural and cognitive assessments to ensure they are equipped to work according to a transparent and fair recruitment process.

Parental leave for both men and women is an intrinsic part of the company and employees have the ability to combine part-time parental leave with part-time work. In 2022, 211 employees took parental leave, thereof 52% women and 48% men. During 2023, the Group will review the parental leave policy to continue to promote equality.

Engaging & Healthy Work Environment

EMPLOYEE ENGAGEMENT

High employee engagement is key to securing a competitive advantage and cultivating organisational resilience. As an employer, it is our responsibility to foster a work environment that encourages employee engagement and correlates to an agile and healthy organisation and improved retention rates. Well-informed and engaged employees are better motivated and involved in the success of the Group. Boozt is committed to facilitate open communication and knowledge sharing through our communication policy and promoting feedback opportunities through our monthly employee survey.

In the employee engagement survey employees have the chance to give input to improve Boozt as a workplace, both on a team and company level. The platform uses an employee Net Promoter

Score (eNPS) to benchmark employee engagement with others in the same sector. Employee Net Promoter Score is a final value that can range anywhere from -100 to 100. Boozt uses the eNPS as this is a well-recognised way of measuring employee engagement allowing us to benchmark with other companies. In 2022, the average aggregated participation rate for the survey was 71% (2021: 73%) and the average eNPS score was 42 (2021: 50). The average eNPS score for the year was impacted by the right-sizing of the organisation carried out with effect from July 1, 2022. Boozt is committed to reach above 77% of the aggregated participation rate and to increase the eNPS score to reach Top 10 placement in the consumer industry by 2024 as presented in our Care-For targets.

To facilitate the accessibility of internal information and ensure that employees are well-informed, the Group conducts a monthly staff meeting with all its employees. The Group CEO primarily holds the meeting, with help from the Group Management. At the meetings, comprehensive information about the latest news and targets for the Group and its departments is presented. Employees can also be informed through BooztUs, the company's joint intranet and a central source for communication of information and documents that affect all employees. These communication channels serve to spread knowledge and understanding of relevant issues and company updates that help keep employees engaged.

A key step to better cultivate engaged employees is to establish programs that drive knowledge sharing. Effective knowledge sharing ensures that best practices and innovative ideas aren't siloed into separate departments. In 2022, we launched our new initiative 'Inspired with Boozt', a series of employee-led events and presentations with the purpose of promoting knowledge sharing across the organisation. All employees can request to participate and present at 'Inspired with Boozt', given that the topic is relevant to other employees and their professional development.



HEALTH AND SAFETY

Healthy and safe work conditions are a top priority for Boozt, ensuring that employees have the training, safety equipment, and other resources needed to work safely and efficiently. As an employer, Boozt has the primary responsibility to implement effective policies and precautions for maintaining a safe working environment across our operations which includes offices, stores and the fulfilment centre. With the insourcing of staff at the fulfilment centre in 2021, occupational safety at the warehouse has been a focus area. The Group has taken steps to reduce the risk of incidents and streamline our operations so employees can fulfil customer orders as efficiently and safely as possible.

Boozt is committed to creating a safe work environment that contributes to healthy employees. The HR-policy, guided by the UN Guiding Principles on Business and Human Rights (UNGP) Discrimination and Harassment policy, covers occupational health and safety, as well as employee wellbeing. The company work environment is systematically reviewed and developed. In 2022 a new updated work environment handbook was made available to all employees and serves as a basis for the Group's systematic work environment management. Boozt supports the right to freedom of association for all its employees as stated in our Code of Conduct. Boozt has collective bargaining agreements for all employees in Sweden.

Work environment at Boozt headquarters

Healthy and safe workplaces are a top priority. Any assessed risks related to the working environment are managed through a systematic approach to occupational health and safety (OHS). Risks at the headquarters include health risks due to poor ergonomics, lighting or ventilation, and also psychosocial risks, such as from stress. Representatives from the work environment committee do health and safety checks on a regular basis to monitor the safeguards against ill health and accidents, as well as ensure that the Group complies with the provisions stated in The Working Conditions Act. We register the occurrence of any and all accidents. For severe accidents, which need to be reported to authorities in accordance with regulations, no accidents were reported in 2022. All employees who manage personnel

are required to go through OHS training by external facilitators. The training includes work environment regulations, systematic occupational health and safety, organisational and social work environment and rehabilitation.

The Group promotes a healthy work-life balance by offering flexible working time arrangements. Boozt wants to influence and encourage the employees to increase their physical activities and to improve their well-being by offering wellness allowances as an additional benefit on top of employee salary. Employees have access to medical evaluation and advice, including occupational health, on a weekly basis from an in-house primary care doctor.

Occupational health and safety at the Boozt Fulfilment Centre

Ensuring safe work conditions at the fulfilment centre for all workers is a priority. The occupational health and safety (OHS) management system has been implemented according to Swedish regulation (systematiskt arbetsmiljöarbete (AFS 2001:1)). The occupational health and management system covers all employees and all workers who are not employees onsite at our fulfilment centre. The type of work they perform is mostly related to the photostudio, maintenance, indelivery and packing and handling returns of our products.

All working conditions and environmental hazards are carefully considered and to prevent the high potential for work-related incidents Boozt conduct frequent risk assessment analyses in line with the regulation of Systematic Work Environment Management (AFS2001:1, §8). This standard includes requirements for risk assessment and evaluation, investigation of unhealth and incidents, actions and control of actions, and cooperation between parties. In order to identify potential work-related hazards and incidents, a third-party OHS specialist conducted 30 safety walks in 2022, examining safety aspects of truck loading and forklifts, as well as assessing thermal comfort and ergonomics. Risks related to the work environment include the risk of fire, physical risks, mainly in the handling of products and product returns, and also psychosocial risks, such as stress related to repetitive tasks and prolonged standing. The most common work-related injury is pain from recurring work and forklift accidents. For severe accidents and incidents,

which need to be reported to authorities in accordance with regulations, three accidents and one serious incident were reported in 2022. The three serious accidents occurred on the road and do not directly concern the workplace. Employees have an obligation to inform managers about work-related hazards they have identified. A digital procedure for reporting hazards was implemented from 2023 onwards to replace the manual reporting of hazards in 2022. There is a routine to onboard and introduce new employees to safety measures around automated guided vehicles such as forklifts.

Results and findings of the risk analysis were documented and handed over to the production managers and the Chief Supply Chain Officer as well as evaluated in the safety committee meetings. Safety delegates are elected by each union party to represent blue and white-collar workers and are part of the safety committee that meets once every quarter to discuss accidents and incidents and improvement potential. The safety delegates distribute the information to the employees. Up until the end of 2022, Boozt hired an occupational healthcare company and contracted a Work Environment specialist to support the managers. All occupational Health and Safety-related topics will be handled by a dedicated onsite specialist beginning in January 2023.

Shaping Employee Development

As an entrepreneurial company operating in an industry under constant advancement, the professional development of our employees is crucial to enhance human capital and improving business performance. Planned development opportunities correlate to employee satisfaction and Boozt seeks to balance business needs and requirements with individual career development objectives while providing as much freedom to the individual as possible.

Through the HR policy and by encouraging a feedback culture, the Group is committed to providing employees with development opportunities that allow them to meet strategic targets in a changing work environment. Various initiatives throughout the year have focused on internal development opportunities and skills acquisition for managers and other employees.

LEARNING AND GROWTH

Boozt promotes professional development opportunities for all employees to retain critical talent and skills in the business while allowing employees to evolve and challenge themselves. A strategic focus for the year has been ensuring all managers are equipped to provide ongoing feedback and coaching to their employees.

In 2022, 75% of all managers have completed Boozt Leadership Academy trainings focused on improving leadership skills and team performance. The four-day training is led by external consultants and aims to improve skills and knowledge within a range of leadership areas such as performance management, growth coaching and situational leadership. During the year 89% of managers also participated in work environment training. In 2023, Boozt is planning to implement a regular performance and career development review process between managers and employees, as presented in our Care-For targets. The focus on career development journeys encourages a feedback culture that supports employee performance and satisfaction.

Community

Empowering Customers

Boozt aims to make sustainable choices easy for customers through transparency and technology. Together with the brands, and the industry as a whole, Boozt strives to empower its customers towards more sustainable and informed consumption. Boozt is committed to extend the presence of its second-hand platform ReBoozt across its markets by 2024 as reflected in our Care-For target. As more and more customers are interested in buying products that are made responsibly, Boozt wants to make sure to always provide them with a selection of products that are produced more responsibly. To do so, Boozt is committed to updating Boozt's Sustainability Criteria on a yearly basis, read more about the criteria on page 61.

MADE WITH CARE CATEGORY

The Made With Care category on Boozt.com was launched in 2021. Throughout our Made With Care landing page, Boozt is aiming for providing as much information about products and responsible production practices as possible, to become more transparent and to educate the customers.

The Made With Care experience allows customers to discover more sustainable fashion and beauty based on reliable brand data and categorised by clear impact area icons: Organic, Recycled, Not tested on Animals, Vegan, Traceability and Certified. The icons have been redesigned to better reflect the data collection from brands and make it easier for customers to shop according to their values. For a product to be featured in the Made With Care category, and therefore benefit from a free onsite double exposure, a product needs to fulfil the requirements (as presented in the section driving responsible production).

As part of the data collection from brands, Boozt also requires information about products' material sourcing in terms of material impact from an environmental perspective and be validated by third-party product certification. Information about the safety of

products is aligned with EU product regulations. In addition to that, Boozt seeks information about sourcing and environmental as well as social impact on a product level. This is part of the company's ambition to ensure a higher level of transparency and credibility of claims for customers. Without the correct data, Boozt do not allow products to be highlighted using the Made With Care icon. By doing this Boozt is able to target 100% of customers by highlighting selected products with the Made With Care icon.

Engaging Suppliers

As a third-party retailer working with several suppliers with a global supply chain, Boozt has little control over environmental and social supply chain risks. To address this, Boozt is committed to sharing knowledge and pushing for a higher degree of supply chain transparency as reflected in its related Care-For targets. As a retailer, Boozt is committed to ensure that any products and goods sold by the company have been produced under safe and fair working conditions.

SAC MEMBERSHIP

To amplify the efforts within the sustainability area, Boozt has joined the multi-stakeholder alliance the Sustainable Apparel Coalition (SAC) in 2020 and collaborated on the Higg Brand and Retail Module (BRM) to push for a higher degree of supply chain transparency. By collecting the data shared Boozt has been able to conduct its first Supply Chain Risk Assessment based on the Higg Higg BRM Module. As part of the SAC membership, Boozt needs to fulfil certain requirements. This includes the Higg Brand and Retail Module (BRM) requirement of completing the self-assessment, sharing it with all brand partners and verifying it with a third-party auditor. In addition, Boozt needs to onboard an increasing share of its brand partners to the Higg BRM, in order to assess, evaluate and monitor the associated socio-ecological risk within the supply chain. The SAC membership shows Boozt's commitment to shaping a more responsible apparel and footwear industry.

Higg BRM adoption and joint effort

The Group is continuously working to ensure that the company's apparel and footwear brand partners are committed to supply chain transparency and working towards best practices. Results from the Group's efforts are presented below and critical issues have been identified as shown in the 'Supply Chain Risk Assessment' section of this report.

In 2023, Boozt aims to onboard around 150 brands on the platform, representing approximately 65% of our business volume. We see this as an opportunity to push for standardised reporting regarding environmental, social and labour impacts across the value chain and a tool for preventative risk assessment. The first results of the risk assessment based on completed Higg BRM modules are available on page 69 and progress on the KPIs can be found in the 'ESG Data Summary' on pages 71-74.

ENGAGING SUPPLIERS

1 192 Brands contacted (66% of business volume)

2 107 Brands onboarded and with completed BRM (47% of business volume)

3 67 Brands with shared module (36% of business volume)

4 45 Brands with verified module (25% of business volume)

Footnote: Business volume is based on July 2020 to June 2021 data due to the timing of the onboarding process.



In terms of supply chain transparency, it's essential to collaborate with own suppliers as well as competitors to share and exchange best practices. During 2022, Boozt held its first brand event focused on the issue of child labor in textile supply chains. The event was in collaboration with Save the Children/ The Center for Child Rights & Business to learn best practices and share practical steps towards child labour mitigation.

Involving Communities

It is part of Boozt's commitment to use its size and reach as one of the leading online retailers in the Nordics to support a number of charities and causes that have a positive social impact. The contributions Boozt made in 2022 have gone into helping important causes on their mission to make a difference. As the business grows Boozt is committed to investing more in giving back to the local community and finding further opportunities in the coming year. The engagement includes charities, sports sponsorship as well as research institutions and environmental agencies. Boozt is committed to sharing its practices and collaborating with research institutions, universities and student groups across its markets to provide insights into the business and share knowledge. This is in line with Boozt Care-For target to increase collaboration with relevant universities and research institutions by 2024.



BOOZT SUPPLIER SURVEY

In addition to the SAC joint effort project, Boozt is also ensuring compliance with the Boozt Supplier Code of Conduct via the yearly Boozt Supplier Survey. From 2022, Boozt starts systematically assessing suppliers in terms of their ESG performance through the distribution of a supplier survey. The first part of the survey focuses on the extent of compliance with the Suppliers Code of Conduct and other governance aspects. More sections with environmental and social questions were added to the survey to help understand where brands are on their sustainability journey and to identify improvement areas where Boozt can support them. In order to measure these GHG emissions, Boozt needs to collaborate with brands. The survey focuses on collecting information about the supplier's GHG emissions. This is the foundation for calculating the scope 3 category purchased goods and services which has the highest impact on Boozt as a third-party retailer.

SUSTAINABILITY PARTNER PORTAL

In 2022 and in alignment with the previously set targets, Boozt launched the Sustainability Partner Portal. The platform has been created to improve the supplier experience and facilitate data upload, Boozt Sustainability Criteria updates, Boozt yearly supplier survey and overall knowledge sharing. Via the portal, Boozt is able to better control the high volumes of data collected. This data is then used as the basis for a validation process for future suppliers' Made With Care campaigns in collaboration with the Boozt Media Partnership solution.

ENGAGING WITH LOCAL SPORTS COMMUNITIES

As the Nordic Department Store, the overall sponsorship strategy is based on selecting partner- and sponsorship platforms where Boozt has a close and meaningful interaction with local communities and target groups. Handball is a sport that has a large following in the Nordics with many dedicated fans and active players in the different clubs. In 2022, Boozt partnered with the Danish Handball Federation to support the women's team, The Swedish Handball Federation to support both the women's and men's teams and also became the main sponsor of The Handball Federation of Iceland. Boozt also became the new main partner for the football club Malmö FF which is one of the most successful sports clubs in the Nordics and continues to promote sports and a healthy lifestyle as a partner to Royal Run in Copenhagen and main sponsor of Göteborgsvarvet.

5-SKOLER

Boozt works in close partnership with the charity 5-skoler to support their efforts to help children in areas of war, conflict and disaster. The Danish-led program builds life-education centres for children in Syria, giving them the opportunity for an education and a more secure future. Boozt's donations during the year have gone towards the girls' empowerment project that focuses on creating a safe and equal environment for the young girls in Syrian refugee camps, as well as helping provide school uniforms for the children in the life-education centres.

KNÆK CANCER

For the ninth year in a row, Boozt has brought together a strong team to raise awareness for cancer prevention and research through the support of the Knæk Cancer campaign. Thanks to a great team effort and collaboration with Boozt's ambassadors and Knaek Cancer, Boozt managed to donate more than SEK 1.5 million to the fight against cancer. The full amount raised was donated to Knæk Cancer and goes toward the prevention, research, and support for patients and relatives. Boozt will continue to partner with well-known Nordic fashion brands to bring greater awareness and support the Knæk Cancer campaign.



Governance

Accelerating Transparency

By disclosing more of our ESG data and practices, we want to accelerate transparency and create a positive impact by ensuring all of our stakeholders have access to as much information as needed. Boozt collects, measures, analyses and tracks sustainability data internally and ultimately discloses material information to the public. Publicly available data enables our stakeholders to access information about our impact and responsibility. In order to identify improvement areas and take action, transparency is crucial. Boozt is committed to sharing and reporting accurate, comprehensive, comparable and material data in an accountable and transparent way. An exclusive emphasis on positive impacts is a form of greenwashing. Transparency means disclosing both the negative and positive impact and communicating it in a fact- and data-based way.

As a part of this commitment, we have taken several actions to accelerate transparency. 2022 was the first year we included ESG Highlights in our quarterly reporting to report on initiatives and the status of several KPIs on a more frequent basis. In 2022, we also engaged with ESG rankings to a greater extent, including responding to the full version of the CDP Climate Change questionnaire, providing data feedback to MSCI, and completing the S&P Global corporate sustainability assessment and the Nasdaq ESG data portal. We are committed to increasing engagement with third-party ESG rankings and ratings by 2024 as reflected in our Care-For target. To ensure that the ESG data is easily accessible, we have also created an ESG Data Summary containing all shared quantitative information throughout the report. The ESG Data Summary can be downloaded at: <https://www.booztgroup.com/sustainability-reports>

Sustainability reporting

Boozt sustainability reporting is shaped by three components 1) Compliance with regulation, 2) Standards and frameworks guiding Boozt sustainability work and 3) ESG rankings recognizing the level of transparency in sustainability reporting.

REGULATION

Boozt closely monitors the dynamic changes in sustainability reporting and follows upcoming legislation such as the CSRD that Boozt will be affected by. The sustainability report is prepared in accordance with the Swedish Annual Accounts Act and Article 8 of the EU Taxonomy Regulation.

EU Taxonomy

The EU Taxonomy got established in 2018 as a common classification system for what is considered an environmentally sustainable economic activity covering six environmental objectives. Currently, the delegated acts with screening criteria are available for 1) Climate change mitigation and 2) Climate change adaptation while the others are not adopted yet.

The first step is to determine if the activities of Boozt are 'eligible', i.e. covered by the Taxonomy Annex 1-5 of the delegated acts. Eligibility indicates that a company generates revenue in an activity that can be tested for alignment under the Taxonomy. Taxonomy-eligibility is expressed with three KPIs that are calculated as the part of turnover, CAPEX and OPEX considered to be Taxonomy-eligible (numerator) divided by Boozt's total turnover, CAPEX and OPEX (denominator) found on pages 87-90 of this report. In order for an economic activity to be aligned with the EU Taxonomy, it needs to substantially contribute to one out of the six environmental objectives, it must conduct business in a way that does not harm any of the other objectives and comply with minimum safeguards. The sectoral coverage and focus of the EU taxonomy lie on 13 sectors contributing to the majority of Europe's direct scope 1 GHG emissions. Boozt's business activities and operations are currently not covered in the EU Taxonomy and thus the proportion of turnover, CAPEX and OPEX that are eligible and aligned with the taxonomy is zero.

TURNOVER

Economic activities	Proportion of turnover
A. Taxonomy-eligible activities	
A.1 Turnover of Taxonomy-eligible activities (A)	0%
A.2 Turnover of Taxonomy-aligned activities (A)	0%
B. Taxonomy-non-eligible activities	
B.1 Turnover of Taxonomy-non-eligible activities (B)	100%
Total (A+B)	100%

CAPEX

Economic activities	Proportion of CAPEX
A. Taxonomy-eligible activities	
A.1 CAPEX of Taxonomy-eligible activities (A)	0%
A.2 CAPEX of Taxonomy-aligned activities (A)	0%
B. Taxonomy-non-eligible activities	
B.1 CAPEX of Taxonomy-non-eligible activities (B)	100%
Total (A+B)	100%

OPEX

Economic activities	Proportion of OPEX
A. Taxonomy-eligible activities	
A.1 OPEX of Taxonomy-eligible activities (A)	0%
A.2 OPEX of Taxonomy-aligned activities (A)	0%
B. Taxonomy-non-eligible activities	
B.1 OPEX of Taxonomy-non-eligible activities (B)	100%
Total (A+B)	100%

STANDARDS AND FRAMEWORKS

Reporting standards and frameworks guide the disclosure part of the report and bridge the gap between internally measured and publicly available ESG data, facilitating transparency. Since 2018, Boozt uses GRI as a reporting guideline to improve the quality of its sustainability reporting. Global Reporting Initiative (GRI) is an independent international organisation that helps businesses, governments and other organisations understand and communicate their sustainability impacts. Boozt's GRI Content Index can be found on pages 82-84 and under <https://www.booztgroup.com/sustainability-reports>.

As participants of the UN Global Compact, the CEO and Group Management of Boozt are committed to aligning business goals with the Sustainable Development Goals (SDGs). The Sustainable Development Goals (SDGs) are part of the 2030 Agenda for Sustainable Development adopted by the 193 United Nations (UN) member states and are focusing global efforts and attention on 17 pressing topics. The Communication on Progress is the primary mechanism for participants to demonstrate progress made against the Ten Principles of the UN Global Compact and the SDGs. As a part of the new enhanced Communication on Progress requirement, Boozt will complete the online questionnaire during the annual submission period. Boozt is actively working with Sustainable Development Goals 9 (Industry, Innovation and Infrastructure), Goal 12 (Responsible production and consumption), Goal 13 (Climate Action), and Goal 17 (Partnerships for the goals). The SDGs are overlapping with the GRI Standards which is Boozt's main sustainability reporting framework. More information on how the SDGs relate to the GRI Disclosures which Boozt reports on can be found under 'GRI' on page 81.

ESG RATINGS AND RANKINGS

ESG rankings and ratings provide organisations with a 'score' based on their ESG maturity or ESG performance. In order to provide the capital markets with broader information, ensuring comparability and transparency on our ESG performance, Boozt participates in several ESG ratings. ESG rankings and ratings help Boozt in identifying reporting gaps and new ESG metrics.

CDP (Carbon Disclosure Project) is a global non-profit that runs the world's environmental disclosure system for companies, cities, states and regions. Companies that submit CDP's questionnaires are publicly available on CDP's website and database. In 2021, Boozt was a first-time responder to the CDP to increase efforts in calculating and monitoring environmental and climate-related impact. In 2022, Boozt followed the investor request and submitted the extended version of the Climate Change questionnaire. Boozt received a B score which is in the Management band. This is the same as the Europe regional average of B, and higher than the Discretionary retail sector average of C. According to CDP, companies that score a B have addressed the environmental impacts of their business and ensured good environmental management. The Boozt CDP Climate Change Questionnaire is available [here](#).

Boozt scored 25 (out of 100) in the 2022 S&P Global Corporate Sustainability Assessment. While we aim to increase this score in the future, we have already improved from a score of 12 in 2019 and a score of 20 in 2021. The average score within the industry group for retailing is 18. The S&P Global Corporate Sustainability Assessment (CSA) is a leading sustainability assessment that reviews the ESG practices of more than 11,000 companies globally. The CSA also serves as the basis for S&P Global ESG scores, which are available to the global capital markets as well as the public.

MSCI ratings are designed to help investors identify ESG risks and opportunities within their portfolio. The MSCI research and rating system ranks companies according to their ESG exposure and their capability to manage that exposure. The ratings range from leader (AAA, AA), average (A, BBB, BB) to laggard (B, CCC). In 2022, Boozt received a rating of AA in the MSCI ESG Ratings assessment, indicating a low-risk level and improving its rating of A in 2021.



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In 2021, Boozt started working with the Nasdaq ESG Data Portal to increase our transparency efforts and share more data with our investor community. The portal provides a central database for investors to access ESG data and performance metrics for Nasdaq-listed companies. Partnering companies submit their data directly to the portal allowing Nasdaq to compile it into standardised ESG metrics covering a wide range of environmental, social and governance topics. With Boozt's contribution to the Nasdaq ESG Portal, the company has been certified as a 'Nasdaq ESG Transparency Partner'.

Mitigating Risks

Boozt works towards mitigating risks by conducting due diligence. The due diligence process consists of the drafting of new policies and procedures to formalise the company's commitment and business practice. Due diligence is the process through which Boozt identifies, prevents, mitigates, and accounts for how actual and potential negative impacts on the environment and society, including human rights, are addressed.

It includes a systematic evaluation of business practices and potential risks by measuring, evaluating, treating and monitoring the social, ecological and financial risks within Boozt operations, from a double materiality perspective.

Due diligence is implemented by following up on progress and performance reviews in the ESG data platform. Boozt then evaluates any changes and the need for possible actions or adjustments of the original policy.

Mitigating risks requires prevention, which is done through stakeholder engagement and risk management processes that identify both positive and negative impacts. Negative impacts are identified through channels and grievance mechanisms such as the whistleblower channel. Read more about the whistleblower policy on page 79.

All policies are reviewed at least once a year and formally approved by the Board of Directors at a Board Meeting during the fiscal year. In Boozt's internal ESG data platform, the internal control function and the CFO report on updates and status. All of the company's policies and procedures are available through our intranet platform where all employees are able to access them. Due diligence processes on each policy are stated in the Policies and Due Diligence section of this report.

ESG RISK MANAGEMENT

Boozt works continuously to identify, assess and evaluate risks to which the Group is currently exposed, and risks that are probable to occur in the foreseeable future. The ESG risks are integrated into the wider risk management framework. The Internal control function engages with the sustainability department in meetings to evaluate and define ESG Risks. The sustainability team is responsible for identifying and monitoring ESG-related risks on an ongoing

basis and at least once a year. The ESG risks are integrated into the Group's top risks of the company. For further information, please refer to the 'Risk Management' section on page 36.

One aspect of ESG risk management is the concept of double materiality. The concept of double materiality consists of the impact and financial perspectives that was introduced in the context of sustainability reporting given the need to get a full picture of an organisation's impacts, risks, and opportunities.

The impact perspective (also referred to as inside-out impact) is related to the significant impacts that the organisation can have on people or the environment. The financial perspective (also referred to as outside-in impact) refers to identifying sustainability topics that trigger financial effects on companies, that is, that generate or may generate risks or opportunities that influence future cash flows and therefore the enterprise value in the short, medium or long term. Double materiality is a cornerstone of the European Commission's proposal for a Corporate Sustainability Reporting Directive (CSRD) and its related European Sustainability Reporting Standard (ESRS).

Boozt incorporates the double materiality principle: 1) by engaging with stakeholders and gathering insights into how they assess the magnitude of ESG topics from the financial and impact perspectives, 2) by measuring actual financial effects such as the financial impact of ESG-related investments (e.g. solar panels on our warehouse) and 3) by aligning the company-wide risk management framework with ESG risks. Mitigating risks is about assessing how Boozt will be shaped by ESG trends and assessing the potential risks.

Boozt would like to highlight two examples of conducted risk assessments in 2022 in more detail - our supplier risk assessment through the Higg BRM results and the financial implications of climate change.



SUPPLY CHAIN RISK ASSESSMENT

As part of the Higg Brand and Retail Module (BRM) 2021 Collective Action with About You and Zalando, Boozt have onboarded and received 46 BRM modules, representing 67 of the company's brand partners. The 67 brands assessed represented 43% of the business volume across the apparel and footwear segment and allowed the company to proceed with a first risk assessment of Boozt's supply chain, integrating brand partners' environmental and social risks.

As part of the risk assessment, Boozt first selected 36 environmental and social focus questions from the BRM questionnaire. Secondly, a raw data sheet was created to summarize the results of each question. The data was then screened and the risk level was assessed by the sustainability team, using a risk classification of low, medium and high risk as well as clustering the results into risk categories and dimensions. The findings were also presented in a Board Meeting. Risk is defined as any potential event with the possibility to have a substantive financial or strategic impact on the business. In terms of significant actual and potential negative social and environmental impact in our supply chain, the following five risks were identified with a high potential impact:

1. Lacking information and transparency about suppliers and manufacturing origin
2. Lacking information and environmental and social assessment of products and materials
3. Lack of paid living wage in the supply chain
4. Non-compliance of suppliers with laws and regulations
5. No due diligence and remediation plan in place for manufacturers

To mitigate these risks and gain more in-depth insights into the supply chain, Boozt are taking several actions. A supplier survey was created for all brands that address environmental, social and business conduct questions. As a result, Boozt will be able to develop a scorecard for each supplier and switch from a

generic supply chain risk assessment to a supplier-specific risk assessment, that helps to identify the number of suppliers with significant social and environmental impacts. This is presented in Boozt's commitment to our Care-For target to request at least 80% of the company's brand partners to identify, map and share their Tier 1 and 2 suppliers by 2026. Additionally, Boozt launched a dedicated Sustainability Partner Portal to support suppliers with relevant sustainability information and requirements and a new sustainability data upload to facilitate data sharing. Boozt will also continue organising brand events on relevant social and environmental topics to learn best practices, as mentioned under the section 'Engaging suppliers'.

CLIMATE-RELATED RISKS AND OPPORTUNITIES

In 2022, Boozt started assessing climate-related risks and opportunities that cover short and long-term time horizons as well as risks and opportunities from direct operations and the value chain. A climate-related risk is more difficult to measure than a traditional financial risk since the risk is measured in terms of forward-looking patterns instead of historical patterns. Furthermore, since climate change is a process, not a single event, its impacts may be very different five or ten years from now compared to 20 to 30 years from now. The climate risk integration can be exemplified by one identified risk and opportunity with the potential to have a substantive financial or strategic impact¹ on your business. Substantive financial impact results from a material combination of probability and impact on the EBIT. The rating scale of the probability has a range from "likely", "moderate", and "unlikely" to "rare". A substantive risk is considered a risk with a potential financial impact of more than +/- 15 % of EBIT and a moderate or likely probability.

Footnote: Boozt defines the substantive financial or strategic impact on the business as "any future event that threatens the organisation's ability to achieve its vision and long-term goals." (COSO's definition of risk).

Changing temperature variability and its potential effects on the supply chain

The fashion sector, in which Boozt operates, is highly dependent on temperature variability, as it affects supply chain operations and consumer demand. In the supply chain, temperature variability has the strongest impact on raw material suppliers. As a major share of raw materials, such as cotton, are farmed, yields are therefore highly dependent on temperature variability and its consequences on environmental systems (e.g. water cycle, soil quality/erosion, biodiversity etc.). If yields, quantity or even quality of raw materials decrease because of temperature variability, this can affect raw material- and retail prices. At the same time, temperature variability may affect the fashion seasons. Fashion seasons are both designed and, in our case, bought in advance, therefore temperature variability requires more flexibility in forecasting activities. sales forecasting can become an important risk affecting revenues and overall operations (e.g. high discount, lower exit margin, etc.). As an online retailer that operates in the fashion and lifestyle sector, Boozt's purchase planning and sales forecasting are influenced by seasonality. The likelihood and magnitude of impact (before action is taken) of this risk are rated as medium. Boozt estimates a potential moderate effect of 10% to 15% on the EBIT due to changed weather conditions affecting the traditional seasonality and sales leading to a lower exit margin and decreased revenues and profits. To address this business uncertainty, Boozt focuses on flexible procurement. Costs of risk management refer to costs associated with internal resources such as merchandisers and retail analysts responsible for forecasting customer demand and planning procurement during and off-season. Boozt is responding to the risk by employing merchandisers and constantly improving forecasting and procurement planning.

Seizing the opportunity to produce renewable energy

In Boozt's direct operations, the company has the chance to use lower-emission sources of energy to reduce indirect (operating) costs. An integral part of the decarbonization of the economy is the transition to low-carbon energy sources. This is why Boozt installed solar panels on the roof of the fulfilment centre in 2019 and expects them to have a life span of 25 to 30 years. Boozt fulfilment centre, which stores all products and from where deliveries and returns are handled, represents the company's main operations and requires a high amount of electricity. The production of own renewable energy has two main advantages. Firstly, the corporate GHG footprint can be significantly reduced by moving to 100% renewable energy and creating reputational benefits as well as avoiding the regulatory implications of carbon-intensive activities. Secondly, in times of rising energy prices and dependency on energy suppliers, investing in the generation of renewable energy can reduce operational costs and increase independency from volatile energy markets. Generating own solar energy instead of purchasing the energy can lead to monetary savings. This opportunity is likely with a medium magnitude of impact. With the generation of solar energy in the fulfilment centre, Boozt saved more than SEK 1.19 million in 2022 which is 90% more than in 2021. The solar panels contributed to 16% of the total energy consumption at the fulfilment centre in 2022.

Integrating Sustainability

Boozt is committed to conducting our business responsibly, with the highest possible standards of ethics, openness, and transparency. The company's sustainability work is an integrated part of the business and the structured processes for mitigating and managing all risks and possibilities. This is reflected in Boozt's Care-For target to further increase participation in internal sustainability trainings by 2026.

SUSTAINABILITY GOVERNANCE STRUCTURE

There is board-level oversight of ESG issues at Boozt. The highest level of responsibility in relation to the oversight of climate-related issues lies with the company CFO in collaboration with the CEO as members of the Group Management. The Boozt Group Management is responsible for defining strategic objectives as decided by the Board of Directors, including coordinating implementation and ensuring organisational adaptation to changes within the Group. The Group Management offers advice on sustainability-related matters and receives quarterly reports on the overall sustainability strategy from the CFO. The CFO actively participates in the development process by reviewing content and objectives and receives regular progress reports from the Sustainability Manager. The Sustainability Manager attended two Board of Directors meetings and reports the ESG Group performance as well as provides guidance and information (e.g. on upcoming ESG regulation) to the Board of Directors. A key climate-related decision that was made in 2022 by the CFO and CEO was to join the Science Based Targets initiative and commit to defining science-based targets in line with the 1.5°C Paris Agreement.

INTERNAL KNOWLEDGE SHARING

In 2022, as part of Boozt's ambition to integrate sustainability in the business, we have trained more than 100 employees from Boozt's largest departments, Buying & Merchandising and Customer Service, on sustainability-related topics. The training for Buying & Merchandising focuses on providing a clear

understanding of the Boozt Sustainability Criteria and how to implement them with brand partners. This training aligns with Boozt's goal 8 "Engaging Suppliers", by educating the company's brand partners' main contact: the buyers.

The training for customer service focuses on presenting the role of the Care-For strategy in implementing a holistic approach to sustainability and the role of the Made With Care category in shaping responsible consumption and production. With the training, Boozt works towards the company's objective in goal 7 "Empowering Customers", by sharing the right information with customer service agents, who have direct contact with the company's customers.

In 2023, Boozt are committed to working towards the target of increasing sustainability training across the organisation. This is key to ensuring that employees have an understanding of what sustainability means and how they can integrate it into their daily tasks and decisions making. At an organisational level, this is crucial in accelerating the transformation to more sustainable business practices and ensuring business resilience. All the efforts in integrating sustainability are aligned with Boozt's commitment to the B corp movement to ensure sustainability integration across the organisation.



About the report

The sustainability report was prepared in accordance with the Global Reporting Initiative (GRI) Standards and the Swedish Annual Accounts Act. The sustainability report focuses on the most material topics for Boozt based on our materiality assessment. It includes disclosures on material topics and is structured after four dimensions; Environment, Employees, Community and Governance. This chapter also includes an ESG Data Summary. The data summary is accompanied by information about the general reporting process as well as notes on the data. A list and description of relevant policies can be found on pages 78-79. The ESG Data Summary as well as the GRI Content Index are also accessible for download at <https://www.booztgroup.com/sustainability-reports>. The report covers the financial year from January 1, 2022, to December 31, 2022, and is published on March 23, 2023.

Reporting approach

This chapter provides information about the reporting process such as the data collection, internal control and reporting scope. The ongoing reporting process is characterized by data identification, data collection, data calculation, data validation and external reporting of the data. Current and upcoming regulation, as well as the external reporting to ESG rankings, standards and frameworks, leads to the identification of new KPIs for the following reporting year. The data collection, calculation and validation are processed in our ESG data platform which is described below.

REPORTING SCOPE

The data is consolidated according to the operational control approach. The consolidated ESG data consists of the parent company Boozt AB and wholly owned subsidiaries controlled by it. By that, acquisitions are taken into account. If a material topic or data point excludes certain subsidiaries for example due to non-available data, a statement in the 'Notes to the ESG Data Summary' section below is made.

DATA COLLECTION PROCESS

Boozt uses third-party provider Position Green as an ESG data platform and formalised reporting channel. In Position Green Boozt collect, analyze, calculate and report sustainability data from internal sources, suppliers and company holdings through a workflow that is transparent and traceable. The platform includes an audit trail enabling control and review of the reported data. Internal as well as external persons can report the data they are responsible for. Instructions on how to insert the data are given. Position Green offers a centralized way of storing all Boozt's ESG data as well as using it to track the effectiveness of targets and evaluate progress. The frequency of the data collection is quarterly or annually, depending on its availability.

INTERNAL CONTROL: DATA VALIDATION AND CONSOLIDATION

The four eyes principle is established and the reported data in Position Green is validated through formalized reviews by the sustainability team. The validation process is supported by analytical review procedures such as the automatic comparison to previous periods in the ESG data platform. Additionally, data variance checks, such as for parcel data, are carried out. Data is consolidated through the ESG data platform. An audit trail makes it possible to follow changes made. To further improve the data quality of Boozt's sustainability reporting a third-party Gap Analysis of the company's GRI reporting as well as GHG emissions accounting has been carried out. Their recommendations have been considered for this report.

ESG Data Summary

Listed below is a complete overview of all Boozt ESG data across four dimensions; Environment, Employees, Community, Governance and the 12 material topics that Boozt cover. The ESG Data Summary has been made publicly available and can be accessed [here](#). Please find notes to the disclosed data points in the following section 'Notes to the ESG Data Summary'.



Environment	Unit	2022	2021	GRI
Reducing Greenhouse Gas Emissions				
Scope 1 from vehicles, Sweden	tonnes CO ₂ e	98.4	106.4	305-1
Scope 1 from vehicles, Denmark	tonnes CO ₂ e	4.9	n/a	305-1
Scope 1 from vehicles, Lithuania	tonnes CO ₂ e	47.1	n/a	305-1
Total CO₂e Scope 1	tonnes CO ₂ e	150.5	106.4	305-1
Scope 2 location-based, Sweden	tonnes CO ₂ e	118.6	58.4	305-2
Scope 2 location-based, Denmark	tonnes CO ₂ e	17.5	7.8	305-2
Scope 2 location-based, Lithuania	tonnes CO ₂ e	11.8	13.4	305-2
Total CO₂e Scope 2 location-based	tonnes CO ₂ e	147.9	79.6	305-2
Scope 2 market-based, Sweden	tonnes CO ₂ e	0.0	0.0	305-2
Scope 2 market-based, Denmark	tonnes CO ₂ e	28.4	31.2	305-2
Scope 2 market-based, Lithuania	tonnes CO ₂ e	13.6	12.1	305-2
Total CO₂e Scope 2 market-based	tonnes CO ₂ e	42.0	43.3	305-2
Purchased Goods and Services	tonnes CO ₂ e	6,543.4	n/a	305-3
Capital Goods	tonnes CO ₂ e	27,234.5	n/a	305-3
Fuel- and Energy-related Activities	tonnes CO ₂ e	66.6	79.3	305-3
Upstream Transportation and Distribution	tonnes CO ₂ e	4,896.2	3,056.1	305-3
Waste Generated in Operations	tonnes CO ₂ e	55.8	46.3	305-3
Business Travel	tonnes CO ₂ e	136.7	26.8	305-3
Employee Commuting	tonnes CO ₂ e	479.1	n/a	305-3
Use of Sold Products	tonnes CO ₂ e	68,694.1	n/a	305-3
End-of-Life Treatment of Sold Products	tonnes CO ₂ e	8,331.9	n/a	305-3
Total CO₂e Scope 3	tonnes CO ₂ e	116,438.3	3,208.5	305-3
GHG Emissions intensity				
kg CO ₂ e intensity per parcel (from delivery and returns)	kg CO ₂ e	0.49	0.34	305-4
kg CO ₂ e intensity per parcel (from delivery and returns) in the Nordics	kg CO ₂ e	0.29	0.24	305-4
Share of order volume covered in kg CO ₂ e intensity per parcel	%	99.5	90.7	305-4
Energy				
Consumption of petrol (non-renewable)	MWh	240.0	132.8	302-1
Consumption of diesel (non-renewable)	MWh	179.8	293.9	302-1
Total fuel consumption (non-renewable)	MWh	419.8	426.7	302-1
Consumption of purchased electricity (non-renewable)	MWh	67.3	93.2	302-1
Consumption of purchased electricity (renewable)	MWh	3,255.1	2,449.1	302-1

Environment	Unit	2022	2021	GRI
Consumption of purchased heat (non-renewable)	MWh	156.9	107.3	302-1
Consumption of purchased heat (renewable)	MWh	1,027.0	423.7	302-1
Consumption of purchased cooling (non-renewable)	MWh	0.0	0.0	302-1
Consumption of purchased cooling (renewable)	MWh	101.3	48.8	302-1
Consumption of self-generated solar energy	MWh	461.7	448.7	302-1
Total (renewable energy) consumption	MWh	4,845.0	3,370.3	302-1
Total (non-renewable energy) consumption	MWh	644.0	627.2	302-1
Total energy consumption	MWh	5,489.0	3,997.5	302-1
Share of renewable electricity	%	98.2	96.3	302-1
Share of non-renewable electricity	%	1.8	3.7	302-1
Share of renewable energy	%	95.6	94.4	302-1
Share of non-renewable energy	%	4.4	5.6	302-1
Minimising Waste				
Cardboard and paper packaging, recycled	tonnes	1,501.6	1,443.0	306-3
Glass, recycled	tonnes	5.6	0.3	306-3
Transparent plastic, recycled	tonnes	20.2	0.0	
Iron scrap, recycled	tonnes	7.1	1.2	306-3
Sorted waste burnable, incinerated to generate heat and electricity	tonnes	280.7	324.1	306-3
Wood, incinerated to generate heat and electricity	tonnes	690.1	365.4	306-3
Residual waste, incinerated to generate heat and electricity	tonnes	109.9	21.3	306-3
Food waste, anaerobic digestion	tonnes	3.7	3.3	306-3
Total non-hazardous waste	tonnes	2,618.9	2,158.6	306-3
Hazardous waste, recycled	tonnes	2.1	0.6	306-3
Total amount of waste	tonnes	2,621.0	2,159.2	306-3
Share of recovered energy (heat, electricity, biogas)	%	41.4	33.1	
Share of recycled waste	%	58.6	66.9	
Share of recycled waste in the Fulfilment Centre	%	60.8	66.9	
Materials				
Total recycled input materials used (packaging)	tonnes	2,102.7	n/a	301-2
Total input materials used (packaging)	tonnes	2,177.9	n/a	301-2
Percentage of recycled input materials used (packaging)	%	96.5	n/a	301-2
Water				
Total water consumption - buildings	m ³	10,190.8	4,354.6	

Employees	Unit	2022	2021	GRI
Total number of employees, female	number	629	675	2-7
Total number of employees, male	number	617	622	2-7
Total number of employees, other	number	0	0	2-7
Total number of employees, Sweden	number	1,083	1,144	2-7
Total number of employees, Denmark	number	104	101	2-7
Total number of employees, Lithuania	number	59	52	2-7
Total number of employees	number	1,246	1,297	2-7
Permanent employees, female	number	453	470	2-7
Permanent employees, male	number	433	397	2-7
Permanent employees, other	number	0	0	2-7
Permanent employees, Sweden	number	730	713	2-7
Permanent employees, Denmark	number	97	102	2-7
Permanent employees, Lithuania	number	59	52	2-7
Total permanent employees	number	886	867	2-7
Temporary employees, female	number	174	215	2-7
Temporary employees, male	number	171	221	2-7
Temporary employees, other	number	0	0	2-7
Temporary employees, Sweden	number	338	436	2-7
Temporary employees, Denmark	number	7	0	2-7
Temporary employees, Lithuania	number	0	0	2-7
Total temporary employees	number	345	436	2-7
Non-guaranteed hours employees, female	number	94	81	2-7
Non-guaranteed hours employees, male	number	105	107	2-7
Non-guaranteed hours employees, other	number	0	0	2-7
Non-guaranteed hours employees, Sweden	number	189	173	2-7
Non-guaranteed hours employees, Denmark	number	10	15	2-7
Non-guaranteed hours employees, Lithuania	number	0	0	2-7
Total non-guaranteed hours employees	number	199	188	2-7
Full-time employees, female	number	465	525	2-7
Full-time employees, male	number	454	447	2-7
Full-time employees, other	number	0	0	2-7
Full-time employees, Sweden	number	777	842	2-7
Full-time employees, Denmark	number	84	79	2-7
Full-time employees, Lithuania	number	58	51	2-7
Total full-time employees	number	919	972	2-7

Employees	Unit	2022	2021	GRI
Part-time employees, female	number	68	96	2-7
Part-time employees, male	number	45	76	2-7
Part-time employees, other	number	0	0	2-7
Part-time employees, Sweden	number	102	146	2-7
Part-time employees, Denmark	number	10	25	2-7
Part-time employees, Lithuania	number	1	1	2-7
Total part-time employees	number	113	172	2-7
Workers who are not employees				
Total number of workers who are not employees	number	75	n/a	2-8
Annual total compensation ratio	-	36.5	87.2	2-21
Promoting Equality				
Gender ratio				405-1
Gender ratio (female/male), Board of Directors	%	43 / 57	43 / 57	405-1
Gender ratio (female/male), Group Management	%	29 / 71	29 / 71	405-1
Gender ratio (female/male), Mid Management	%	45 / 55	37 / 63	405-1
Gender ratio (female/male), Employees (management excluded)	%	51 / 49	52 / 48	405-1
Age distribution				405-1
Under 30 years, Board of Directors	%	0	0	405-1
30-50 years, Board of Directors	%	71	57	405-1
Over 50 years, Board of Directors	%	29	43	405-1
Under 30 years, Group Management	%	0	0	405-1
30-50 years, Group Management	%	71	71	405-1
Over 50 years, Group Management	%	29	29	405-1
Under 30 years, Mid Management	%	19	28	405-1
30-50 years, Mid Management	%	70	64	405-1
Over 50 years, Mid Management	%	11	8	405-1
Under 30 years, Employees (management excluded)	%	46	49	405-1
30-50 years, Employees (management excluded)	%	49	47	405-1
Over 50 years, Employees (management excluded)	%	5	4	405-1
Parental leave				
Total number of employees that took parental leave	number	211	150	
thereof Women	%	52	53	
thereof Men	%	48	47	
Share of women in technical job groups	%	19	n/a	

Employees	Unit	2022	2021	GRI
Engaging & healthy work environment				
Employee Net Promoter Score (eNPS)	Score	42	50	
Average aggregated participation rate of the employee survey	%	71	73	
Fatalities	number	0	0	
Number of serious accidents	number	3	3	
Number of serious incidents	number	1	0	
Number of all employees and workers who are not employees who are covered by OHS management system	number	662	606	403-8
Percentage of all employees and workers who are not employees who are covered by OHS management system	%	100	100	403-8
Share of employees covered by collective bargaining agreements	%	86.9	88.2	2-30

Community	Unit	2022	2021	GRI
Empowering customers				
Share of Made With Care products	%	21.1	19.0	417-1
Share of Made With Care orders	%	28.0	13.8	
Number of products live on ReBoozt	number	5,429	2,320	
Engaging suppliers				
Higg BRM Brands contacted	number	192	n/a	
Higg BRM Brands onboarded and with completed module	number	107	n/a	
Higg BRM Brands with shared module	number	67	n/a	
Higg BRM Brands with verified module	number	45	n/a	
Involving communities				
Total amount of Donations	SEK	2,065,338.5	2,381,227.0	
In-kind giving: product or services donations	SEK	371,139.9	36,000.0	
Number of research interviews or surveys given by the sustainability team	number	8	n/a	

Governance	Unit	2022	2021	GRI
Accelerating Transparency				
S&P CSA Score	-	25	20	
CDP Score	-	B	n/a	
MSCI rating	-	AA	A	
Number of all ESG-related policies	number	13.0	n/a	
Number of ESG policies published	number	3.0	n/a	
Share of public ESG policies	%	23.1	n/a	
Mitigating risks				
Monetary savings from generated solar energy	SEK	1,196,751.2	629,217.7	201-2
Number of brands assessed for social and environmental impacts	number	67	n/a	308-2, 414-2
Substantiated complaints concerning breaches of customer privacy and losses of customer data	number	1	1	418-1
Number of cases reported in whistleblower system	number	0	0	
Integrating Sustainability				
Number of Employees attending a Sustainability training	number	109	n/a	
Number of Board meetings attended by Head of Sustainability	number	2	2	

NOTES TO THE ESG DATA SUMMARY

The following notes include accounting policies and further methodological explanations. Overall the reporting scope has widened in 2022 compared to 2021 as a consequence of a much larger part of data and its breakdown being tracked in 2022. Unavailable data in 2021 is shown with 'n/a' in the ESG Data Summary.

Environment

Reducing Greenhouse Gas Emissions

Boozt uses 2022 as a base year for the GHG emissions calculations and future target setting as it represents the highest degree of measurement across all scopes. Boozt's GHG emission reporting follows the GHG protocol. Concrete GHG emission values are stated in CO₂e (carbon dioxide equivalent), a term for describing different greenhouse gases in a common unit.

Scope 1

Scope 1 GHG emissions are direct emissions of greenhouse gases from sources owned by Boozt that are not connected to energy delivery. This includes company vehicles. Scope 1 GHG emissions increased in 2022 compared to 2021 due to the extended measurement, now covering all group entities. For the scope 1 GHG emissions calculations for the Lithuanian and Swedish entities, Boozt apply the fuel-based method with emission factors in kg per litre per fuel type (source: DEFRA). For comparison reasons, we recalculated 2021 scope 1 GHG emissions according to the fuel-based method. For one entity with company cars, GHG emissions were calculated based on expense data on diesel fuel (spend-based).

Scope 2

Scope 2 GHG emissions are indirect emissions of greenhouse gases as a result of the consumption of purchased electricity, heating and cooling in Boozt's locations. Following the new reporting requirements of 'dual reporting' by GHG protocol, Boozt discloses scope 2 GHG emissions according to two methods. Location-based emissions are determined by the average emission factor of the local grid. In 2022, location-based emission factors were aligned so they come from the same source which causes the year-to-year change (source: AIB). The market-based

method reflects the GHG emissions associated with the choices a consumer makes regarding its electricity supplier or product. Boozt requests documentation on renewable energy supply in the form of Guarantees of Origin or Cancellation Statements. The calculated scope 2 GHG emissions include the emissions from all energy activities (heating, cooling and electricity) and exclude one store where the electricity data cannot be obtained. The respective facility has 20 employees which represent 1.6% of total scope 2 GHG emissions. Scope 2 of 2022 is not comparable to previous periods due to extended scope of energy collection in 2022.

Scope 3

Scope 3 are other indirect GHG emissions generated in the value chain. According to the GHG protocol, scope 3 consists of 15 categories (see below). A first and important step is the assessment of relevance to determine which of the 15 categories are relevant to the organisation. Boozt describes briefly for each category whether it is relevant and, if so, how the emissions were calculated.

1. Scope 3: Purchased Goods and Services - Relevant

In this category Boozt calculated GHG emissions from purchased packaging material (average data method with activity data of material type and weight based, source: DEFRA), office goods such as furniture and IT equipment (spend-based, source: Quantis), and Data Centre and Cloud Usage (supplier-specific method, source: Google Carbon Calculator). Boozt has not calculated product-related emissions for this category yet. The majority of emissions are from the products Boozt buy from suppliers and will be calculated and added during the year. To be able to get a clear picture of these product emissions, a supplier survey was created where suppliers are asked to report their emissions.

2. Scope 3: Capital Goods - Relevant

Capital goods are final products that have an extended life and are used by Boozt to provide our services; sell, store, and deliver products. Capital goods are calculated with the spend-based method (source: Quantis). It refers mainly to the capital goods and investments made to the fulfillment centre such as a ventilation system, automated guided vehicles and conveyer, bins, and robots for the expansion of the AutoStore.

3. Scope 3: Fuel- and Energy-related Activities - Relevant

This category includes GHG emissions related to the production of fuels, and energy purchased and consumed that are not included in scope 1 or scope 2. The calculated emissions are based on the quantities and types of fuel as well as the quantities and energy sources of heating, cooling, and electricity consumption. GHG Emissions are calculated by multiplying fuel and energy consumption quantities by relevant emission factors (source: DEFRA). The calculated emissions exclude one store with 20 employees where the electricity data cannot be obtained, which represents 1.6% of these GHG emissions as well as missing scope 3 GHG emissions from fuel for the entity where the spend-based method was applied.

4. Scope 3: Upstream Transportation and Distribution - Relevant

This category includes transportation and distribution services purchased by the reporting company. Boozt works directly with the company's distributors that are reporting the kilometres, the number of packages and total CO₂e emissions per transportation means (road and air transportation) in the ESG data platform. Emissions are reported in Well-to-Wheel (WtW). Therefore all the emissions from fuel generation to the combustion in the vehicles are considered. The increase in emissions is due to the extended tracking of transport emissions in all shipping countries, covering 99.5% of all packages delivered in 2022 compared to 90.7% in 2021.

5. Scope 3: Waste Generated in Operations - Relevant

This category includes GHG emissions from the third-party treatment of waste generated in the reporting company's owned or controlled operations. The GHG emissions refer to waste generated in the operations mainly the fulfilment centre and the offices but do not include waste from the two stores which represent 2.5% of the GHG emissions in this category. The calculated GHG emissions are based on the weight of the waste type (in tonnes) and the specific waste treatment method. Emission factors from BEIS (UK Department for Business, Energy & Industrial Strategy) are multiplied by the waste streams.

6. Scope 3: Business Travel - Relevant

The GHG emissions are calculated based on the distances travelled for domestic, short-haul, and long-haul flights in each class of travel (ranging from economy to first-class). The GHG emissions include radiative forcing in air travel emissions to capture the maximum climate impact of their travel habits. Radiative forcing (RF) is a measure of the additional environmental impact of aviation. These include emissions of nitrous oxides and water vapour when emitted at high altitudes. Finally, the CO₂e with RF total is determined by multiplying the distance (km) travelled by the appropriate CO₂e with RF factor (source: DEFRA). Road travel is calculated using expenses for train rides (spend-based method) and driven kilometres with a private vehicle during business trips (distance-based method). 2022 emissions value increased to pre-covid levels (in 2019 GHG emissions were 171 tonnes CO₂e).

7. Scope 3: Employee Commuting - Relevant

To calculate the GHG emissions from employee commuting, a survey was conducted where employees filled out their transportation mode, the one-way commute distance to the work site as well as the average amount of home office days per week. Based on the answers received, Boozt used the percentage of each transportation mode being used, to apply this to the remaining amount of employees for extrapolation purposes. Emission factors (CO₂e per km per transportation mode) are then applied to the distance travelled (distance-based method).

8. Scope 3: Upstream Leased Assets - Not relevant

This category is not relevant for Boozt, as the emissions from our rented buildings are already included in scope 1 or scope 2 reporting.

9. Scope 3: Downstream Transportation and Distribution - Not relevant

This category includes transportation and distribution of products where the transportation is not paid for by the reporting company. This category is not relevant for Boozt, as distribution partners are paid to deliver the goods to the customers.

10. Scope 3: Processing of Sold Products - Not relevant

Processing of sold products is not a relevant scope 3 category as Boozt only sell final products that are not processed further but directly used by the customer.

11. Scope 3: Use of Sold Products - Relevant

This category includes GHG emissions from the use of goods and services sold. According to the GHG protocol, it includes the scope 1 and scope 2 GHG emissions of end users which are the company's customers. The number of sold products across product categories was collected as activity data and assigned to a sector for which emission factors are available. Direct-use phase emissions and indirect-use phase emissions were calculated. Averages on a lifetime of a product have been used to estimate the usage time per product. Emission factors for textiles depend on washing frequency, including electricity for washing (drying and finishing laundry), water usage and detergents. The emission factor for leather shoes is based on waxing needed per pair of shoes in their lifetime. The emission factor for 'Electrical and Optical Equipment' represents an average for low voltage electric supply in Europe.

12. Scope 3: End-of-life treatment of Sold Products - Relevant

This category includes the total expected end-of-life GHG emissions (from the waste disposal and treatment of products) from all products sold in the reporting year. Primary activity data with the number and type of items sold on a country level is collected. Average waste-treatment emission factors are applied to the sales volume and the average weight of the products. The calculated GHG emissions include product-based emissions and packaging emissions.

13. Scope 3: Downstream Leased Assets - Not relevant

This category is not relevant for Boozt, as no assets are being leased.

14. Scope 3: Franchises - Not relevant

This category is not relevant for Boozt, as the company does not have any franchises.

15. Scope 3: Investments - Not relevant

This category is not relevant for Boozt, as the company is not a financial institution.

CO₂e intensity per parcel (from delivery and returns)

The CO₂e intensity per parcel is calculated by using the emissions from deliveries and returns (scope 3 Upstream transportation and distribution emissions) and dividing it by the number of parcels shipped. The increase in the CO₂e intensity per parcel is due to the extended tracking of transport emissions in all shipping countries, covering 99.5% of all packages delivered in 2022 compared to 90.7% in 2021.

CO₂e intensity per parcel (from delivery and returns) in the Nordics Nordics refers to the shipping countries Norway, Sweden, Denmark and Finland.

Energy consumption data by energy activity

Following the reporting recommendations by the GHG protocol and CDP, Boozt separately disclose fuel, electricity, heat, cooling and self-generated energy consumption, including a breakdown of MWh from renewable sources and non-renewable sources. Renewable electricity is powered by hydropower, solar energy and wind. Renewable heating consumption mainly comes from renewable district heating such as geothermal energy. Renewable cooling comes from wind. Fuel data is converted from litres to MWh with conversion factors from DEFRA. The data excludes one store where the electricity data cannot be obtained. The respective facility has 20 employees which represent 1.6% of the total energy consumption. Due to the expansion of the fulfilment centre, more energy was consumed in 2022 compared to 2021. Based on the disclosed breakdown of energy data, Boozt calculate the share of renewable energy (excluding fuel consumption) and the share of renewable electricity (including purchased electricity and generated electricity). 2022 to 2021 energy data is not comparable due to the different and extended scope of energy collection in 2022.

Minimising Waste

Waste generated

Waste is measured in tonnes and broken down into hazardous and non-hazardous waste including waste types and their waste treatment method. By that, Boozt is able to calculate and disclose the share of recycled waste (sum of recycled waste relative to total waste). The waste refers to waste generated in the operations, mainly the fulfilment centre and the offices, but does not include waste from the two stores. The respective stores have 31 employees which represents 2.5% of the total waste consumption. To estimate the waste from the office the average municipal residual waste (consisting of everyday items including food waste) per person per day of 2.2 was used (Source: EPA (2018)). As a result of incorporating waste from offices and expanding the AutoStore, the amount of waste increased overall in 2022. The Share of recycled waste in the Fulfilment Centre is 60.8%.

Recycled input materials used

The percentage of 96.5% recycled input materials used relates to the total weight of all recycled packaging materials purchased in 2022. It is calculated by the sum of the recycled packaging materials purchased and divided by the total weight of all packaging materials purchased.

Water consumption

Total water consumption at Boozt buildings measured in m³. The water consumption in 2022 has increased due to a wider scope of measurement. For one office with 26 employees, the consumption data could not be obtained in 2022 which represents 2.1% of the total water consumption.

Employees

All of the employee numbers below are reported in headcount at the end of the reporting period (December 31, 2022) and include the parent company and all of its subsidiaries. According to GRI and the upcoming ESRS, the split by gender should include 'other', which is often referred to as 'non-binary' and defined as 'gender as specified by the employee themselves'. If the employee has not specified that voluntarily, the number is zero.

Permanent employees

Employees with a contract for an indeterminate period (i.e. indefinite contract). Counts for both full-time and part-time work.

Temporary employees

Employees with a contract for a limited period (i.e. fixed term contract) that ends when the specific time period expires, or when the specific task or event that has an attached time estimate is completed.

Non-guaranteed hours employees

Employees who do not have a guaranteed minimum or fixed number of working hours per day, week, or month, but who may need to make themselves available for work as required.

Full-time employees

Employees that work 100% according to national law.

Part-time employees

Employees whose working hours per week, month, or year are less than the number of working hours for full-time employees.

Workers who are not employees

This disclosure provides an understanding of how much the organisation relies on workers who are not employees to perform its work, in comparison to employees. Types of workers who are not employees and whose work is controlled by Boozt are agency workers, and freelance consultants in warehouse operations, platform, design, construction and sales. Peak seasons require the fulfilment centre to hire additional workers from a staffing agency, where the number is estimated based on the average of the year.

Annual total compensation ratio

Ratio of the annual total compensation for the organisation's highest-paid individual relative to the median annual total compensation for all employees (excluding Boozt Group management).

Promoting Equality

Gender ratio (female/male)

The gender ratio in percentage is separately disclosed for the Board of Directors, Group management, mid-management, and employees (excludes top and mid-management). Mid-management includes positions like team lead, managers with team responsibility, and directors.

Age distribution

The age distribution is separately disclosed for the Board of Directors, Group management, mid-management, and employees (excludes top and mid-management) with a breakdown of the three age groups of under 30, 30-50 and over 50 years old. Mid-management includes positions like team lead, managers with team responsibility, and directors.

Parental leave

The total number of employees that took parental leave includes employees that took both short-term and long-term parental leave during 2022.

Share of women in technical job groups

Calculated by the number of women in technical job groups relative to the total number of employees in technical job groups. The KPI includes employees working in platform and with positions such as developer and engineer as well as IT support.

Engaging & Healthy Work Environment

Employee Net Promoter Score (eNPS)

The Employee Net Promoter Score (eNPS) measures Employee Engagement at Boozt. The eNPS is calculated by subtracting the percentage of Detractors from the percentage of Promoters, so that the final value can range anywhere from -100 to 100. The value is calculated as the average of the full year and the score for 2022 was impacted by the right-sizing of the organisation carried out with effect from July 1, 2022.

Accidents and Incidents

Serious accidents and incidents are those that need to be reported to the Swedish Work Environment Authority (Arbetsmiljöverket).

Employees working in Logistics covered by the OHS management system

All employees and workers who are not employees on-site at the Boozt Fulfilment Centre are included and covered by the OHS management system.

Share of employees covered by collective bargaining agreements

Calculated by the number of employees covered by a collective bargaining agreement (CBA), relative to the total number of employees. The number of employees with CBA equals the number of employees in Sweden.

Community

Empowering Customers

Made With Care KPIs

Made With Care is a selection of products that meet Boozt's sustainability criteria and is calculated for the textile assortment. The share of Made With Care products refers to the average of the full year. The share of Made With Care orders means sales orders containing one or more Made With Care products.

ReBoozt

ReBoozt, the company's peer-to-peer second-hand platform, is currently available in 2 out of the 14 countries of operations. Therefore the number of products live on ReBoozt are products live in Denmark and Sweden.

Engaging Suppliers

Engaging Suppliers through Higg BRM

This indicator is disclosed through the number of brands contacted, number of brands onboarded and with completed BRM module, number of brands with a shared module, and number of brands with a verified module. The term module refers to a questionnaire. Some modules represent one brand and some modules include more than one brand (e.g. holding groups) meaning that Boozt has received 46 BRM modules from 67 brands.



Involving Communities

Total amount of donations

This KPI refers to the monetary amount paid in support of community engagement projects such as 5-skoler and Knæk Cancer.

In-kind giving: product or services donations

This KPI refers to contributions of products, equipment, services and other non-cash items from the company to the community. In 2022, Boozt donated food, medicine, basic necessities and clothing to support people affected by the war in Ukraine.

Number of research interviews or surveys given by the sustainability team

Requested research interviews, surveys and project collaborations are documented. The sustainability team conducts interviews and surveys based on availability and relevance to Boozt.

Governance

Accelerating Transparency

ESG Rankings and Ratings

Boozt disclose the score or ranking of the S&P Corporate Sustainability Assessment (CSA), CDP and MSCI. The company's CDP Climate questionnaire is available [here](#).

ESG policies published

An ESG policy is any policy relevant to formalise commitment in environmental, social, or governance-related aspects. To accelerate transparency Boozt is working on publishing more ESG policies on the [Corporate Website](#).

Mitigating Risks

Monetary savings from generated solar energy

To calculate the monetary savings, the generated solar energy is multiplied by the average electricity price per kWh for purchased energy in the quarter (based on the invoices from the company's energy providers) and added the earnings for the sold energy. In that way, Boozt can see what the company would have spent on purchased energy. Monetary savings in 2022 have increased due to rising energy prices and an increase in solar energy production.

Number of brands assessed for social and environmental impacts

The 67 brands assessed are critical brands representing 46% of the company's business volume. Business volume is based on July 2020 to June 2021 data due to the timing of the onboarding process.

Substantiated complaints concerning breaches of customer privacy and losses of customer data

During 2022, Boozt has identified one (2021: 1) substantiated complaint initiated on the basis of the data subject's complaint to the supervisory authority. The matter is ongoing and Boozt are cooperating with the supervisory authority in all possible ways.

Number of cases reported in the whistleblower channel

No cases were reported in 2022. Read more about the whistleblower policy in the section 'policies and due diligence'.

Integrating Sustainability

Number of Employees attending the sustainability training

The number of employees includes customer service agents and employees in a product category attending the sustainability training during 2022.

Number of Board meetings attended by Head of Sustainability

Two official board meetings were attended both in 2021 and 2022.

Policies and Due Diligence

To support Boozt's Care-For strategy and sustainability goals the company follows various standards and policies to ensure compliance with rules and regulations and the protection of its operations and employees. Where applicable, the standards and policies are developed based on internationally recognized initiatives such as the UN Guiding Principles on Business and Human Rights. Publicly available policies can be found [here](#).

Supplier Code of Conduct

Suppliers must meet all legal requirements and regulations in operating countries. As a retailer, Boozt strives to ensure that any products and goods sold by the company have been produced under safe and fair working conditions. The Boozt Suppliers Code of Conduct aims to outline minimum requirements for suppliers, including respect for human rights and decent working conditions. The Boozt Supplier Code of Conduct sets the minimum standards requirement. The standards set out in the document are based on the UN Universal Declaration of Human Rights and the conventions of the International Labour Organization (ILO).

From 2022, Boozt starts systematically assessing suppliers in terms of their ESG performance through the distribution of a supplier survey. The first part of the survey focuses on the extent of compliance with the Suppliers Code of Conduct and other governance aspects. More sections with environmental and social questions were added to the survey to help understand where brands are on their sustainability journey and to identify improvement areas where Boozt can support them.

This effort was supported by Boozt's engagement with the SAC in requesting further information regarding our partners' supply chain impact and take advantage of its already existing reach. Due to the increased risk of human rights risks in supply chain and consumer demands, a specific human rights section was introduced in the company's yearly survey. This will result in a wider reach to the company's brands that are not working with external organisations such as SAC. The extended survey will help in understanding critical issues and risks in Boozt's supply chain, such as human rights and environmental management risks on a brand level.

Boozt's collaboration with SAC on the Joint BRM Action, resulted in an initial assessment of Boozt suppliers to help identify key risk areas as presented in the 'Supply Chain Risk Assessment' section of this report. The results from the 2022 yearly supplier survey will be analyzed during the year to identify risk areas as well as opportunities for further collaboration with the company's partners towards better practices.

Animal welfare policy

The Animal Welfare policy is updated to align with principles on specific banned materials and the responsible treatment certification Boozt prefer. Boozt does not permit the use of any fur, feathers or skins of snake, crocodile, alligator or species specified in the IUCN Red List of Threatened Species in any of the company's products. The Sustainability Manager in collaboration with Buying Director is in charge of monitoring conformity. Boozt monitors compliance on products by conducting sustainability training and collaborating internally with buyers and the quality team to ensure our product selection is aligned with this policy. In case Boozt find the company is in breach of this policy, products are removed from the selection available and the brand relationship is reassessed to ensure a higher degree of transparency and future compliance with the policy.

Environmental policy

Boozt conducts a yearly follow-up of the company's direct environmental impact and has initiated mapping and measuring of indirect impacts. The environmental policy commits to work proactively and continuously to identify challenges, set priorities and report on the company's progress through well-established standards such as the Greenhouse Gas Protocol, GRI (Global Reporting Initiative) and CDP.

The environmental policy defines the main principles regarding how the company should consider the environmental impact of the operations within the Group.

Boozt conducts a quarterly follow-up of the company's direct environmental impact and has initiated mapping and measuring of indirect impacts. That includes Scope 1, 2 and 3 GHG emissions, waste generated in operations, energy consumption by energy activity and the impact of packaging. The company's ESG data platform allows Boozt to collect and assess environmental data in a traceable and efficient way. By analysing the company's environmental footprint linked to the different aspects such as GHG emissions, waste and energy and comparing it to previous performance improvement areas can be identified.

The Sustainability Manager monitors the Policy and actively ensures that alternatives are considered when initiating investments.

In 2021, Boozt restructured and facilitated the use of the ESG data platform by adding more aspects, measures and reporters to the tool. By doing so, Boozt is able to track more granular data and improve the data consolidation process. As data automation and accuracy increase, progress can be reported externally via the company's quarterly reports.

Whistleblower policy

The aim is to operate Boozt with a long-term and sustainable approach. Boozt is committed to identifying and investigating any potential issues or irregularities that may have a significant impact on the company or employees as soon as they are brought to the company's attention.

In light of the recent legislative changes in whistleblowing laws, Boozt has updated its Whistleblower Policy and procedures. Boozt has established three separate channels for whistleblowers to report based on the entity the report pertains to. These channels have been expanded to include not only staff within the Group, but also job seekers, volunteers, shareholders, management, supervisory board members, and suppliers. In addition, we have taken steps to increase awareness of the whistleblowing process across the Group. For further information please refer to the company's [updated Policy](#) and accompanying [Q&A](#). An external provider is enabling the whistleblower channels, which allows for anonymous and confidential reporting. All reports made through the channels are directed to the Boozt Group Whistleblower Committee. No cases were reported through the whistleblower channel in 2022.

Anti-corruption and bribery policy

Boozt's anti-corruption, insider and procurement policies are there to ensure that the business is conducted ethically. These policies outline the company's various positions on preventing and prohibiting corruption and bribery in accordance with local legislation where the company operates as well as significant international regulatory regimes and laws with extraterritorial reach such as the UK Bribery Act and the US Foreign Corrupt Practices Act. These policies include never-acceptable practices and monitoring activities to support the prevention of corruption,

bribery, and conflicts of interest. Anti-corruption policies are communicated to all brands and business partners through the company's Buying and Merchandising department. To ensure communication of the internal Code of Conduct to all levels of the company the document is available on the intranet, and all employees sign a document acknowledging its receipt. The Group Buying director shall specifically from time to time request major suppliers to confirm that no transactions have taken place between the Group's buyers, merchandisers and the supplier. No substantiated complaints of corruption or anti-competitive behaviour were reported in 2022.

Data privacy and security

Robust protection of personal data is one of the top aspects of building trust and maintaining confidence in the Boozt brand. Boozt continues to make significant efforts to enhance privacy controls, with a particular focus on increasing transparency for data subjects and fortifying security measures in data protection.

In 2022, Boozt implemented a comprehensive Group-wide Data Protection Policy, replacing the previous approach of using area-specific policies and procedures. The adoption of a Data Protection Policy is a crucial step in establishing a consistent and unified accountability framework across the Group, with a focus on prioritizing privacy in all of its initiatives. The accountability framework adopted by the Group designates top focus points to the data protection work in the Group. Among those are ensuring compliance with data protection laws, implementation of privacy by design, promotion of privacy culture and high focus on data protection training and awareness. The policy has been made publicly available and can be accessed [here](#).

The ongoing efforts are geared towards simplifying the process for individuals to exercise their rights regarding their personal data. To achieve this, significant investments were made in automating data subjects' requests and providing specialized training for front-line staff to effectively identify and interpret complex requests. This will remain a focus point throughout 2023.

The security of personal data processing and continuity of internal systems enabling sales channels is of the utmost importance to the company's data protection controls. Boozt has been continuously working on implementing best practices in information security and resilience to cybersecurity threats. To ensure the security of customer's personal data, strong technical safeguards and organisational measures have been put in place, including encryption, access control, and regular monitoring of systems. Boozt conduct regular security assessments as well as yearly audits of internally developed systems to identify, prevent and address any potential vulnerabilities.

The company closely monitors the regulatory landscape for data protection and pays close attention to regulatory guidelines issued by the local supervisory authorities and the European Data Protection Board (EDPB). Boozt understands the importance of cooperation with the supervisory authorities and has been proactive in any communication regarding the group processing of personal data. During 2022, Boozt has identified one (2021: 1) substantiated complaint initiated on the basis of the data subject's complaint to the supervisory authority. The matter is ongoing and the company is cooperating with the supervisory authority in all possible ways. In 2022, Boozt has also reported, on its own initiative, one personal data breach (2021: 0). The breach was caused by an unencrypted email sent to the wrong recipient, resulting in unauthorized disclosure. The supervisory authority did not proceed with an investigation, but the company took specific actions to address any potential effects on the affected data subjects.

Stakeholder Engagement

Stakeholder engagement

Boozt values the ongoing dialogue with our stakeholders. This table provides an overview of key stakeholder groups identified, how we interact with these stakeholders, as well as key topics raised throughout the ongoing stakeholder dialogue.

Stakeholder	Interaction and dialogue opportunities	Key Sustainability Topics
Customers	Customer service, customer satisfaction ratings, emails, social media, webstore Boozt.com, certifications (product descriptions), Sustainability Report, FAQ section on customer service page	Made With Care category and sustainability criteria for products to be in the category, sustainability in Boozt operations, packaging, claims and repairs, customer privacy and security, ReBoozt
Brand Partners	Partnership / joint projects, Boozt Partner Portal, meetings, agreements, sustainability data templates	ESG supplier survey and assessment, materials and certifications, packaging, eligibility and products in the Made With Care category, SAC and HIGG BRM (Brand and Retail Module)
Distribution Partners	Meetings, agreements, ESG data platform	Emissions reporting, GHG emission methodology, route planning, return handling
Employees	Employee survey, code of conduct, policies, staff handbook, procedures, training and teaching modules, all staff meeting, Intranet, work environment groups	Talent acquisition, employee development, health and work environment, equality and diversity, business ethics and environmental aspects in our own operations and the supply chain, social engagement, customer awareness
Shareholders & Investors Community	Investor meetings, board meetings (selective), corporate communication publications (annual report and sustainability report, financial statements, corporate web, audiocasts)	ESG reporting and legal requirements, supply chain transparency, requirements for brands, gender diversity, policies and internal control, consumer privacy and data security, climate impact & GHG emissions, distribution
Media	Press releases, interviews, panel discussions	Made With Care category, Fair Use Policy, packaging, consumer behavior, delivery and returns, climate impact & GHG emissions
Research Institutions & Education	Research projects, network meetings, workshops in schools, surveys	Sustainability awareness and education, packaging, delivery and returns, climate impact & GHG emissions, corporate sustainability, consumer behavior

GRI

Linking the SDGs and the GRI Standards

The SDGs are overlapping with the GRI Standards which is Boozt's main sustainability reporting framework.

In the following table, we show how the SDGs relate to the GRI Disclosures that Boozt reports on.

SDGs	Corresponding GRI Standards 2021
3: Good health and well-being	GRI 403: Occupational Health and Safety 2018 GRI 305: Emissions 2016 GRI 306: Waste 2020
5: Gender equality	GRI 414: Supplier Social Assessment 2016 GRI 405: Diversity and Equal Opportunity 2016
7: Affordable and clean energy	GRI 302: Energy 2016
8: Decent work and economic growth	GRI 301: Materials 2016 GRI 302: Energy 2016 GRI 403: Occupational Health and Safety 2018 GRI 404: Training and Education 2016 GRI 405: Diversity and Equal Opportunity 2016 GRI 414: Supplier Social Assessment 2016
12: Responsible production and consumption	GRI 301: Materials 2016 GRI 302: Energy 2016 GRI 305: Emissions 2016 GRI 306: Waste 2020 GRI 417: Marketing and Labeling 2016
13: Climate Action	GRI 201: Economic Performance 2016 GRI 305: Emissions 2016
16: Peace, Justice and strong institutions	GRI 414: Supplier Social Assessment 2016 GRI 418: Customer Privacy 2016 GRI 403: Occupational Health and Safety 2018

Source: GRI, Linking the SDGs and the GRI Standards, [May 2022](#).

GRI Content Index

GRI Content Index, published March 23, 2023

Statement of use: Boozt has reported in accordance with the GRI Standards for the period from January 1, 2022 to December 31, 2022.

GRI 1 used: GRI 1: Foundation 2021

Applicable GRI Sector Standard(s): no applicable GRI Sector Standard

GRI Standard and Number	Disclosures	Location	Further explanations or omission
GRI 2: General Disclosures 2021			
1. The organization and its reporting practices			
2-1	Organizational details	31, 40	Countries of operation: Sweden, Denmark, Estonia, Finland, France, Germany, Iceland, Latvia, Lithuania, Netherlands, Norway, Poland, Switzerland, Austria
2-2	Entities included in the organization's sustainability reporting	119	
2-3	Reporting period, frequency and contact point	71, 82, 130	
2-4	Restatements of information	75-77	
2-5	External assurance	85	
2. Activities and workers			
2-6	Activities, value chain and other business relationships	21-22, 25, 33-34, 64-65	
2-7	Employees	73, 76	
2-8	Workers who are not employees	73, 76	
3. Governance			
2-9	Governance structure and composition	40-41, 44-45, 49	
2-10	Nomination and selection of the highest governance body	33, 43	
2-11	Chair of the highest governance body	41	
2-12	Role of the highest governance body in overseeing the management of impacts	44-45	
2-13	Delegation of responsibility for managing impacts	70	
2-14	Role of the highest governance body in sustainability reporting	44	

GRI Standard and Number	Disclosures	Location	Further explanations or omission
2-15	Conflicts of interest	49, 108	We apply the Swedish Corporate Governance Code. The nomination committee is responsible for ensuring that cross-board membership and conflicts of interest do not exist. More information can be found under " Nomination Committee's proposals and reasoned statement "
2-16	Communication of critical concerns	68, 79	
2-17	Collective knowledge of the highest governance body	70	
2-18	Evaluation of the performance of the highest governance body	44	The third-party evaluation in November 2022 did not lead to any changes in the board composition.
2-19	Remuneration policies	34, 41, 47, 92	Remuneration policies are public here . Specific targets related to ESG are not public.
2-20	Process to determine remuneration	41	For further information on Votes, please read here
2-21	Annual total compensation ratio	73, 76, 98	Salary increase in %, organisation's highest-paid individual, 2021-2022: -58% and salary increase in %, median annual total compensation for all employees (excluding Boozt Group management), 2021-2022: 0%.
4. Strategy, policies and practices			
2-22	Statement on sustainable development strategy	24-25, 56-57	This year's letter does not include a statement on sustainable development. Reporting on this will be considered for next year.
2-23	Policy commitments	48, 62-63, 68, 78-79	
2-24	Embedding policy commitments	48, 68, 78-79	
2-25	Processes to remediate negative impacts	68, 78-79	
2-26	Mechanisms for seeking advice and raising concerns	68, 79	
2-27	Compliance with laws and regulations	40, 79	It is noted that no local, regional or national authority has issued a penal fine or ruling decision against Boozt in relation to any significant non-compliance with laws or regulations during the previous reporting period.
2-28	Membership associations	64	
5. Stakeholder engagement			
2-29	Approach to stakeholder engagement	80	
2-30	Collective bargaining agreements	74, 77	Employees in Denmark are influenced by the Danish collective bargaining agreements.

GRI Standard and Number	Disclosures	Location	Further explanations or omission
GRI 3 Material Topics			
3-1	Process to determine material topics	56-57	
3-2	List of material topics	57	
Topic-specific disclosures on material topics			
Environment			
Reducing Greenhouse Gas Emissions			
GRI 302: Energy 2016			
3-3	Management of material topics	58-59, 69	
302 - 1	Energy consumption within the organization	72, 76	
GRI 305: Emissions 2016			
3-3	Management of material topics	58-59	
305 - 1	Direct (Scope 1) GHG emissions	58, 71-72, 75	
305 - 2	Energy indirect (Scope 2) GHG emissions	58, 71-72, 75	
305 - 3	Other indirect (Scope 3) GHG emissions	58, 71-72, 75-76	
305 - 4	GHG Emissions intensity	59, 72, 76	
Minimising Waste			
GRI 301: Materials 2016			
3-3	Management of material topics	60	
301 - 2	Recycled input material used	72, 76	
GRI 306: Waste 2020			
306 - 1	Waste generation and significant waste-related impacts	60	
306 - 2	Management of significant waste-related impacts	25, 60	
306 - 3	Waste generated	72, 76	
Driving Responsible Production			
3-3	Management of material topics	60-61	For 11 of the 12 material topics GRI disclosures are identified and reported, complemented by our own indicators. Driving responsible production is a material topic and the management of the material topic is described. However, at this stage, there are no GRI disclosures to be disclosed due to the early stage of the work with the own production of clothing.

GRI Standard and Number	Disclosures	Location	Further explanations or omission
Employees			
Promoting Equality			
GRI 405: Diversity and Equal Opportunity 2016			
3-3	Management of material topics	23, 45, 62	
405 - 1	Diversity of governance bodies and employees	73, 76-77	Number of nationalities as a diversity indicator is disclosed however not provided with a breakdown of gender or age.
Engaging & Healthy Work Environment			
GRI 403: Occupational Health and Safety 2018			
Topic management disclosures			
403-1	Occupational health and safety management system	63	No other standards or guidelines apart from regulatory requirements are used.
403-2	Hazard identification, risk assessment, and incident investigation	63	
403-3	Hazard identification, risk assessment, and incident investigation	63	
403-4	Worker participation, consultation, and communication on occupational health and safety	63	
403-5	Worker training on occupational health and safety	63	
403 - 6	Promotion of worker health	63	
Topic disclosures			
403-8	Workers covered by an occupational health and safety management system	63, 74, 77	The OHS system is not externally audited.
Own indicator	Employee Net Promoter Score (eNPS)	62, 74, 77	
Shaping Employee Development			
GRI 404: Training and Education 2016			
3-3	Management of material topics	63	
404 - 2	Programs for upgrading employee skills and transition assistance programs	62, 63	Transition assistance: Employees are covered by our Career Re-adjustment Agreement (TRR, Trygghetsrådet). The employee receives advice and support from TRR. In addition, a salaried employee who is at least 40 years and who has at least five years of continuous employment in the company can receive income compensation (AGE - Avgångsersättning), which is a complement to the normal unemployment insurance.

GRI Standard and Number	Disclosures	Location	Further explanations or omission
Community			
Empowering Customers			
GRI 417: Marketing and Labeling 2016			
3-3	Management of material topics	61, 64	
417-1	Requirements for product and service information and labeling	64, 74, 77	417-b refers to our own indicator regarding the share of Made With Care products.
Own indicator	Share of Made With Care products and Share of Made With Care orders	74, 77	
Engaging Suppliers			
3-3	Management of material topics	64-65, 78	
Own indicator	Engaging Suppliers through Higg BRM	64, 74, 77	Disclosed through the Number of Brands contacted, Number of Brands onboarded and with completed BRM, Number of Brands with shared module, Number of Brands with verified module
Involving Communities			
3-3	Management of material topics	65	
Own indicator	Donations	65, 74, 78	
Own indicator	Number of research interviews or surveys given by the sustainability team	74, 78	
Governance			
Accelerating Transparency			
3-3	Management of material topics	66-67	
Own indicator	Disclosed ESG ratings and rankings	67, 74, 78	The Scores of the following ESG Rankings and Ratings are disclosed: CDP, S&P Global Corporate Sustainability Assessment, MSCI rating
Own indicator	Number of ESG policies published	74, 78	
Mitigating Risks			
GRI 308: Supplier Environmental Assessment 2016			
3-3	Management of material topics	68-69, 78	
308-2	Negative environmental impacts in the supply chain and actions taken	69, 74, 78	In order to address requirements 308-2 .b, .d, and .e, we created a supplier survey including environmental questions and we will use its results to develop a scorecard, which can be used to identify and communicate improvement areas to our suppliers.

GRI Standard and Number	Disclosures	Location	Further explanations or omission
GRI 414: Supplier Social Assessment 2016			
3-3	Management of material topics	68-69, 78	
414-2	Negative social impacts in the supply chain and actions taken	69, 74, 78	In order to address requirements 414-2 .b, .d, and .e, we created a supplier survey addressing social aspects and we will use its results to develop a scorecard, which can be used to identify and communicate improvement areas to our suppliers.
GRI 418: Customer Privacy 2016			
3-3	Management of material topics	38, 74, 78-79	
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	74, 78-79	
GRI 201: Economic Performance 2016			
3-3	Management of material topics	9-10, 69	
201-2	Financial implications & other risks & opportunities due to climate change	69, 74, 78	Calculation formula for Cost to realize opportunity= investments for the solar cells in SEK + the installation costs of the solar cells in SEK = 1 890 000 SEK + 1 878 000 SEK =3 768 000 SEK.
Integrating Sustainability			
3-3	Management of material topics	70	
Own indicator	Number of Employees attending a Sustainability training	70, 74, 78	
Own indicator	Number of Board meetings attended by Head of Sustainability	70, 74, 78	

Auditor's report on the statutory sustainability report

To the general meeting of the shareholders in Boozt AB (publ),
corporate identity number 556793-5183

This is a translation of the Swedish language original. In the events of any differences between this translation and the Swedish original the latter shall prevail.

Engagement and responsibility

It is the Board of Directors who is responsible for the statutory sustainability report on the pages 54-84 for the year 2022 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

Our examination has been conducted in accordance with FAR's auditing standard RevR 12 The auditor's opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is substantially different and less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

Opinion

A statutory sustainability report has been prepared.
Malmö March 23, 2023

Deloitte AB
Signature on Swedish original

Didrik Roos
Authorized public accountant



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